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DENMARK

Schluter Government Meets With Skepticism From Left, Right

Cabinet Members Profiled

36130069 Copenhagen BERLINGSKE TIDENDE
in Danish 4 Jun 88 Sec III p 1

[Article by Bo Draebel and Poul Erik Petersen: "Family Portrait: Yesterday Prime Minister Poul Schluter Presented His New Cabinet to the Queen"]

[Text]

Fisheries Minister Lars P. Gammelgaard

Like so many other young MP's, 43-year-old Lars P. Gammelgaard (Conservative) is a graduate in political science from Aarhus University. He took his final exams in 1972. He was a secondary school teacher at the Randers National School before he came into the Folketing in 1979. During his student days he was very active in conservative student politics, and later became a member of the Aarhus city council. He has been fisheries minister since 1986, and before that his party's political spokesman.

Tax Minister Anders Fogh Rasmussen

This 35-year-old farmer's son from Ginnerup is considered by many to be the Liberals' economic oracle. Anders Fogh Rasmussen (Liberal) was only 25 years old when he came into the Folketing in 1977. His theoretical background for a minister's post is in good shape. He is a graduate in economics from Aarhus University, and for some years he was an economic advisor for the Labor Council. He became tax minister for the "four-leaf-clover" government after the 1987 elections.

Culture Minister Ole Vig Jensen

It is a 52-year-old schoolteacher, Ole Vig Jensen (Radical Liberal), who is to be the guardian of culture. He came into the Folketing for the first time in 1971, but had to leave after the 1973 elections. But since 1978 he has been able to put "MP" on his calling card again. He has also been active in municipal politics. He served in the Tollose municipal government for 12 years and was also vice-mayor. He has also been an assistant superintendent of schools. Ole Vig Jensen's cultural background has been derived to a great degree from the "people's college" movement.

Church Minister Torben Rechen-dorff

General secretary of the Conservative Party until yesterday, Torben Rechen-dorff has a history of involvement in municipal politics in Horsholm, 1966-74. But he is not a member of the Folketing. He was educated as a teacher, and concluded his career in the school system in 1981 as

superintendent of Horsholm School. Torben Rechen-dorff is 53 years old, and has done many things, including sitting on the board of the Union of Religion Teachers.

Health Minister Elsebeth Kock-Petersen

This ministerial position is the third one that Elsebeth Kock-Petersen (Liberal) has under her belt. She was church minister in the first Schluter government in 1982, and social minister 1984-86. She has been a member of the Folketing for two terms, one from 1975-77 and another since 1984. Elsebeth Kock-Petersen is 39 years old and is a lawyer. Before she was a minister, she worked as an administrative assistant in the Foreign Ministry.

Traffic and Communications Minister H.P. Clausen

In 1986 H.P. Clausen (Conservative), professor of political science and head librarian at the Aarhus City Library, was appointed as minister of culture in the Schluter government. He was promoted to culture and communications minister in 1987, becoming a member of the Folketing at the same time.

H.P. Clausen is 60 years old, and was chairman of the Media Commission 1980-84, among other things.

Minster of the Interior and Minister of Nordic Affairs Thor Pedersen

National economist Thor Pedersen (Liberal) was head of a construction firm when he began his political career as a member of the Helsing city council in 1974. He was the mayor of his municipality 1978-86 and became a member of the Folketing in 1985, where his rise was meteoric. Thor Pedersen, who is 42 years old, was minister of housing 1986-87. He became minister of the interior after the 1987 elections, and now he has Nordic Affairs in his pocket too.

Housing Minister Agnete Laustsen

Agnete Laustsen (Conservative), a lawyer, 52 years old, only got to work 6 months on the Ministry of Health staff that was put together after the 1987 elections. The new minister of housing came into the Folketing in 1979 after a career in the Ministry of the Interior, in Copenhagen County, and with the Consumer Ombudsman.

She was involved in municipal politics as early as 1962, as a member of the Copenhagen Citizens' Representatives.

Defense Minister Knut Enggaard

Knud Enggaard (Conservative) was born in Odder 59 years ago today. This is his fourth ministerial position. He has been both minister of the interior—under Anker Jorgensen—and energy minister and economics minister under Poul Schluter. Defense is not an unknown field for

Enggaard, who is a technological graduate. He has been employed both by the Army and the Air Force. He has been a member of the Folketing on and off since 1964.

Labor Minister Henning Dyremose

In 1986 Henning Dyremose (Conservative), a chemical/civil engineer, went straight from a job as marketing director at NOVO to the post of labor minister, and now he is coming back to that post for the third time. Henning Dyremose is 42 years old and was a member of the Folketing 1979-84, although he is not one now. Among other things he has been the co-author of a number of the Conservatives' political programs.

Prime Minister Poul Schluter

This is the third time since 1982 that the 59-year-old Poul Schluter (Conservative) has put together a government. The prime minister is from southern Jutland, born in Tonder. He took his law boards in 1957 and achieved for his own business an audience with the Supreme Court. His life has been characterized by political activity. He once ran for mayor of Gladsaxe, but was beaten by Erhard Jakobsen. He has been a member of the Folketing since 1964.

Justice Minister Erik Ninn-Hansen

The Folketing's senior member, Erik Ninn-Hansen (Conservative), is 66 years old and has worked his way through a number of ministerial posts. He was defense minister for Baunsgaard (1968-71) and finance minister in 1971. He served as justice minister throughout the entire "four-leaf-clover" government's term, and continued in that position in the Conservative-Liberal-Radical government. Erik Ninn-Hansen came into the Folketing on 21 April 1953. He is a lawyer by profession.

Foreign Minister Uffe Ellemann-Jensen

Uffe Ellemann-Jensen (Liberal), 46 years old, has an inherited disease: he is a journalist and a leftist, and son of the leftist journalist Jens Peter Jensen. He graduated in political science in 1969. Before his journalistic career—in which he worked for BERLINGSKE AFTE-NAVIS, TV-A [weekly TV news program], and the Stock Exchange, among other things—he was a desk officer for the Union of Industrial Meat Packers. He has been a member of the Folketing since 1977 and has been a foreign minister for Poul Schluter ever since the beginning, in 1982.

Environmental Minister Lone Dybkjaer

It is no surprise that there was a ministerial post available for the 48-year-old civil engineer Lone Dybkjaer (Radical Liberal). Nor is it a surprise that the architect's daughter from Frederiksberg was given the ministry of environmental affairs. Ecology has been one of her

principal issues. She has served as on the board of the Nature Conservation League. Aside from an interval of a few years, she has been a member of the Folketing since 1973.

Agricultural Minister Laurits Tornaes

Laurits Tornaes (Liberal), 51, is a fishing captain and was chairman of the Danish Ocean Fisheries Union for 13 years. He kept this post after he came into the Folketing in 1981. But when he became agriculture minister in 1987, he stepped down from organizational work. He was his party's political spokesman in the Folketing 1982-87. When he is not in Copenhagen keeping an eye on politics, he stays with his family in Esbjerg.

Educational and Research Minister Bertel Haarder

Bertel Haarder (Liberal), 43, is well acquainted with the duties of his post. He was made educational minister for the first Schluter government, and became, as now, educational and research minister from 1987 up to this year's election. Bertel Haarder was teaching at the Alborg Teachers' College when he was elected to the Folketing in 1975. By way of education he is a graduate in political science, and has written a number of books.

Social Minister Aase Olsen

As chair of the Folketing's social issues committee since 1987, and her own party's sociopolitical spokesperson, the new minister Aase Olsen (Radical) has landed on familiar ground. She served on the Folketing for the first time 1974-77, and came back in again in 1979. At various times she has been a member of her party's central committee and its business committee. Aase Olsen is 53 years old and is a teacher by profession.

Industry Minister Nils Wilhjelm

When Poul Schluter in 1986 needed to find a replacement for Ib Stetter as industry minister, he could hardly have found someone more closely associated with industry than the chairman of the Industry Council, the now 51-year-old Nils Wilhjelm (Conservative), who is a forestry graduate by way of education and has been director of Junckers Industrial, Sylvadan and Incentive, among other things. He first became a member of the Folketing with the election of 1987.

Finance Minister Palle Simonsen

This is the fourth time Palle Simonsen (Conservative) has been granted a ministerial post. In 1982 he was involved with the first Schluter cabinet as social minister, and since 1984 he has served uninterrupted as finance minister in Schluter's cabinets. Palle Simonsen sat on the Folketing 1968-70 and was elected back in in 1977. He is 55 years old and gave up, in 1982, his civilian position as director of the Civil Defense League.

Economics Minister Niels Helveg Petersen

Son of a Radical minister in the Baunsgaard government (1968-71), lawyer Niels Helveg Petersen (Radical) is following in his father's footsteps with his ministerial debut. He was elected to the Folketing for the first time in 1966-74 and came back in 1977 after a few years as a chief of staff for the Danish commissioner at the EEC in Brussels. He is 49 years old and has been chairman of the Radical MP's since 1978.

Energy Minister Jens Bilgrav-Nielsen

A high school teacher from Jelling, fifty-two-year-old Jens Bilgrav-Nielsen (Radical) is new to ministerhood but well acquainted with politics. He sat on the Folketing 1966-77, and since 1979, when he returned, he has been a member of the Folketing's finance and defense committee, as well as the committee for public works. In the 1970's Bilgrav-Nielsen was a member of Egtved city council for a while. He was educated as a teacher in Ollerup.

Photo Caption [not reproduced]

It was a cheerful and clearly relieved Poul Schluter who gathered his new ministers in front of Amalienborg Castle yesterday at 1530. Photo: Morten Juhl

New Government's Security Policy

36130069 Copenhagen BERLINGSKE TIDENDE
in Danish 4 Jun 88 Sec III p 2

[Article by Hugo Garden: "NATO Can Live With the New Security Policy"]

[Text] Brussels—Even though the formation of the Conservative-Liberal-Radical government favors a nuclear weapons free Denmark, it also means that we have seen the last of the marginalization of security issues. This is why the new security policy is acceptable.

"That sounds good," said a NATO diplomat yesterday upon hearing of the formation of the new government, and its declared policy in favor of NATO ships visiting Danish harbors.

The most important effect on security policy, of the election and the formation of the new Conservative-Liberal-Radical government, is that there is now some prospect of stability in Danish security policy.

This means that the days of agendas and footnotes are now past.

That is the unofficial reaction among the NATO nations, according to conversations that BERLINGSKE TIDENDE has had with diplomats, and it is the main reason that the NATO nations, with the U.S. and Great Britain at their head, can accept the security policy that

the new government has sketched out. They will accept it if the government follows the agenda of 14 April, if it is carried out such that the NATO nations can accept it.

The NATO nations have taken notice of the following three central provisions:

1. The Radical Liberals said, after the agenda was approved, that this would have to be the end of relegating security policy to the status of footnotes.

2. Prime Minister Poul Schluter has said—and confirmed in the governmental agreement—that the policy concerning the license to visit Denmark's harbors must be one that can be accepted by the members of the alliance.

3. There is no prospect of further cutbacks in Danish security policy; the 23rd agenda was the last slice to be cut off of that sausage.

It caused some uproar when BERLINGSKE TIDENDE wrote on 25 April that NATO, according to a neutral source, could live with the aforementioned agenda. This would include letters to ship captains—to which, it is worth noting, there was no necessity of an answer stipulated. Such an answer would indicate, in other words, to what degree nuclear weapons were present aboard the visiting ships. The election did, in fact, deal with just this question, but the issue is bigger than that in the long run, relative to security policy.

After the government presented its plans, the NATO nations made evaluations not only of the agenda itself, but also the Social Democrats' proposals for change in the defense committee. The proposals were seen as a significant setback, and as a clear attack on the nuclear weapons policy of the NATO nations, intending to prevent the visits of NATO ships to Danish harbors and Danish waters. But when the government asked the NATO nations right out to indicate their reactions to the agenda itself, they expressed themselves in cryptic and unclear phrasing, since they were not sure how far Denmark (read: the Folketing) would go, relative to austerity in nuclear weapons policy.

And so it was a bit of a sensitive issue, that the agenda was evaluated in this way (on an agenda basis), whereas the election was written out exclusively on the agenda.

The joining together of the agenda and the change proposal was viewed as secret information in NATO, according to one source.

But seen from the side of the NATO nations, it was logical to look at the situation in that way, since both proposals were under consideration, in a parliamentary system, and since the Social Democrats had been talking about joining the two things together.

One source says that the NATO nations' harsh reaction, and unwillingness to express clearly what it was they objected to (the agenda or the joining together), had to do with the fact that they wanted to have limits set. The Danes must be made to understand that if they went beyond that point—in any case, if they went beyond what was in the agenda—that their relationship with NATO and the nuclear nations would suffer, since this would affect ship visits, maneuvers, and possibly treaties dealing with reinforcements.

"The problem for the allied nations all this time has been that even though they have made concessions, and accepted the unique Danish viewpoints, they have still been relegated to the footnotes after a subsequent NATO meeting. This abetted Denmark's gradual slippage away from the alliance, which must be brought to a stop," says one source. This is why the allied nations will not state officially what they can accept.

The Radical statement that footnotes and agendas have now come to an end has therefore been viewed as a middle-of-the-road, representative statement. But it is congruent neither with the footnote policy of the last 5 years, nor with the desires of the majority in security policy.

"This is why I think that it is correct to assume that the NATO nations can live with the 14 April agenda itself, if we cut right down into the bone, and if the government indicates that the agenda- and footnote-policies are over," says one source.

During the agenda controversy, one source said that the U.S. and Great Britain place great importance on political stability in connection with the formation of a new government and a new security policy. This means that it is not only the development of an agenda that is the determining factor.

None of the proposals that are politically realistic in Denmark are desirable for the NATO nations. Nor is the 14 April agenda, in its "pure" form—nor a solution which is based upon this agenda, a Norwegian solution, nor the government's proposal from 14 April. Nor is the section of the government agreement that deals with the ship visits desirable policy.

What it says is: "Regulations shall be in accordance with a nuclear-weapon-free peacetime situation in Denmark, and shall be drawn up such that they are in accordance with the viewpoints of our allies."

And so Denmark wants to continue to specify, as she has done for 30 years, that Denmark neither desires nuclear weapons nor desires to take any direct shared responsibility for nuclear weapons policy. But what makes the agreement acceptable for the allied nations is that the government guarantees that the regulations for ship visits must be able to be accepted by the NATO nations.

"The agreement does take consideration for the viewpoint of the NATO nations. We might see good results out of that," says one NATO diplomat. Another diplomat told us that the agreement is a "signal to the NATO nations that Denmark wants to take NATO policies and practices into consideration."

Even though the signal has been given, though, there have been no direct negotiations with the allied nations concerning the degree to which they can accept the new policy. There has only been a sort of feeling-out of the situation. But Denmark has given its answer; and besides that, Foreign Minister Uffe Ellemann-Jensen will be introducing the policy in a NATO meeting next week in Madrid. The actual carrying out of the policy—for example, in the form of letters to ship captains or governments—will, therefore, have less significance than the principal policy itself.

The new situation in Denmark continues to make it possible, as before, for both sides to keep one eye firmly shut, while holding fast to their own principal viewpoints on nuclear weapons policy.

Paper Views Government's Challenges

36130069 Copenhagen *BERLINGSKE TIDENDE*
in Danish 4 Jun 88 p 10

[Editorial: Big Expectations of the New Government]

[Text] Denmark now has a partially new government. It is the best that the country can expect, considering the Folketing that the voters voted on 10 May—more or less. We present here the reasons why.

1. Because people presume that the Conservative-Liberal-Radical government is the coalition which can best assure political stability. No one can deny that some day the Social Democrats, the Socialist People's Party, and the Progressives might consider overturning the government, just as they voted down the Four-leaf-clover government's finance bill. But if this were to happen, it would mean that the Social Democrats were breaking their post-election promise to keep the Progressives out of the sphere of influence. And the Progressive Party is once again the determining factor in making a slim majority in the Folketing oppose the bourgeois government, although that majority cannot be agreed on anything except opposition to the government. The voters will evaluate this accordingly, as they did in January 1984, when the Social Democrats lost three MP seats and the Progressives 10.

2. Because the Conservative-Liberal-Radical government puts a stop to things for the next 6 years with its so-called alternative majority. For Denmark it is utterly conclusive, as far as foreign policy goes, that continuity and trustworthiness characterize our security policy, and that there be an agreement between the government's parliamentary bases, the economic majority and the security-policy majority. It may now be the case, for all

that it might be seen as out of the question, that the Social Democrats/Socialist People's Party and their bourgeois opposition may establish a new security-policy majority outside of the government.

3. Because the Conservative-Liberal-Radical government escapes, in the economic arena as well, having the Social Democrats/Socialist People's Party be able to provoke the Radicals to a libertine spending policy. Under the government's program, the superimposed guidelines are predetermined, including the budget improvements which are to take place this year and the next. And with the Radicals' participation in the government, it is also 100 percent the Radicals' responsibility that these guidelines not be violated. Moreover, they must assure that the "preconditions for tax relief" as written up in the prime minister's plan are brought about.

4. Because the Conservative-Liberal-Radical government has a larger political perspective. It is a centrist-rightist coalition, which spans opinions from mid-Social-Democrat to the germinations of power-political forces in the Progressive Party. The Conservative-Liberal-Radical government, in other words, is a government that keeps the fringe elements that want to revolutionize Danish society from having an influence. But it is also, on the other hand, a government that wants to try to gather together all the opposing forces for the purpose of solving acute, concrete problems. We are talking about responsible opposition parties here, involving industry and hopefully also the labor movement. The four-leaf-clover government laid down a good foundation; and well begun is half done, as we wrote in this column on Easter.

Both the Democratic Center Party and the Christian People's Party made a big investment in the four-leaf-clover government. But responsible action on the part of the two parties is no less in demand now, where the two parties must now take a turn as opposition. It doesn't have to be the case that media speculation as to whether the withdrawal of the Christian Democrats will take place diminishes the enjoyment of having a new government. When the Christian Democrats suggested in the summer of 1986 that his party should "swap turf" with the Radicals, Erhard Jakobsen said to BERLINGSKE TIDENDE (11 August 1986): "That would be a step that could strengthen the government. If, by means of a coalition government, we are successful in converting the Radicals to government policy, especially in the area of foreign policy, then a 'turf swap' of this kind would make it much easier. There is no reason to believe that we would be doing the Christian Democrats a big favor if we were allowed to stay in the government."

And so there appears to be satisfaction among all the bourgeois parties that the new government has turned out to be a Conservative-Liberal-Radical government. The reactions indicate that they do not have big expectations—there are some advantages to the government's

being able to surprise us in a positive way. But there is no reason to be so pessimistic beforehand. On the contrary! The government should know that people expect the government parties to take steps, that the government should live up to the expectation of reestablishing stability, that there should be continuity in security policy, that economic revival should not only continue, but be strengthened, and that Denmark has got to get going soon with its readjustment to the inner EEC market. The government should also know that it will be judged by the results of these things—and that it cannot expect to live on excuses, if the results are otherwise than expected. And so: let's get going!

If for no other reason, the bourgeois doubters ought to be convinced by the reaction of the Social Democrats and the Socialist People's Party to the new government. They will be altogether overjoyed when they figure out what is behind it: that the Social Democrats have lost their first-place position in the formation of Danish governments.

Economic Policy Choices Examined

36130069 Copenhagen BERLINGSKE TIDENDE
in Danish 6 Jun 88 p 10

[Editorial: "Willingness To Compromise Soon To Be Put to the Test"]

[Text] The Conservative-Liberal-Radical government will have the same goals in economic policy that the four-leaf-clover government had. After the Social Democrats' careful steps towards the middle, there are now, on paper, only nuances between the goals of that party and those of the Conservative-Liberal-Radical government, relative to employment; balance of payments; foreign debts; the exchange rate of the krone; a lower rate of inflation; government spending; and the tax burdens. The Conservative-Liberal-Radical government should consider putting the rapprochement achieved throughout the last month to the test very soon. There are certainly enough factors involved which indicated a real need for fine tuning in our economic development. This conception of the situation was expressed in BERLINGSKE TIDENDE as early as 18 May—which means it was in plenty of time for the formation of the government—and it is not unlikely that it was a basis for the chairmanship of the Danish Economic Council's evaluation of the current economic situation.

When we look back at the four-leaf-clover government's praiseworthy clear goals for the development of the balance of payment and national finances, we can see that in many instances they were altogether too late in making regulatory interventions. Besides delaying what they wanted to achieve, this caused an unnecessary escalation of political unrest. Many people saw what was necessary, before the government ever put on its thinking cap; and what played out was almost the culmination

of a well-staged drama with the actors in their well-known roles. Such a series of events causes instability. What we must have, to go through with the long, tough trek towards balance in the Danish economy, is the opposite situation.

In the current case, the pressure from the international economic environment is fairly clear. Prophetic speculations haven't seemed to contain much optimism relative to growth, but the prescription is fairly clear for what the government ought to be interested in doing in this case: private consumption, public demand and opportunities for competition. Relative to the estimate for the last 6 months, the decline of 1.3 percent in private consumption for 1988 will stay the same, whereas 1989, under current estimates, will yield a smaller decline. The second big portion of domestic demand, government consumption and investments, shows for the most part unchanged real growth—assuming that the recent decisions on “thriftiness” are actually carried through. We cannot go on like that! Both the actual economic and financial or tax-based conditions mean that the effectivization of the public sector will be given first place, as far as the Conservative-Liberal-Radical government's duties are concerned.

For this year as well as next year the estimates on exports have been adjusted upwards, and it is industrial exports that will benefit the most from the improved international prospects. But growth is still not fast enough relative to the widely accepted political goals for economic policy. Even with an unchanged quantity of imports, this will yield only a few billion in the anticipated decrease in the trade deficit. This should give rise to people being more interested in opportunities for competition and domestic demand, of which 60 percent involves private consumption and 25 percent involves payments for public services. This had better happen soon.

Schluter Submits Program

36130069 Copenhagen *BERLINGSKE TIDENDE*
in Danish 8 Jun 88 p 6

[Article by Per Lyngby: “Schluter: Stability Is Necessary Now”]

[Text] The nuclear agenda is now in place, Prime Minister Poul Schluter (Conservative) announced yesterday in the Folketing. Help is on the way for the taxpayers, industry, the farmers and the unemployed.

The Conservative-Liberal-Radical government has come into being, according to Poul Schluter, because it is necessary to achieve political stability with respect to Danish industry. Also, there are great tasks to be done, which require the active cooperation of all groups within Danish society as a whole.

This was what Prime Minister Poul Schluter (Conservative) said yesterday, in his opening speech to the Folketing. He announced that the main purpose of Denmark's foreign policy and security policy will be the lessening of international tensions.

“This government will work towards concrete, realistic weapons control and disarmament agreements, with the aim of ensuring security at a lower level of armament,” the prime minister emphasized.

“Our actions will be based on what NATO wants. We will work towards lessening tensions between East and West, and will promote Danish viewpoints by influencing strategies and decisions from within,” Schluter said.

Poul Schluter announced that the problem with regulations governing the visits of foreign warships to Danish harbors has now been solved. Yesterday the Foreign Ministry sent a circular to all the ambassadors in Copenhagen, in which it was made clear that Denmark will not accept nuclear weapons during peacetime.

The ambassadors will now be working on informing their respective governments. In addition, licenses to land in Danish harbors will be granted from now on with the amendment that “a precondition to this visit is that it must occur in strict compliance with Danish government regulations.”

“It is the opinion of the government that this procedure respects both our Danish nuclear-weapon-free policy as well as the viewpoints of our allies,” Poul Schluter said.

He announced that the Conservative-Liberal-Radical government will appoint a defense commission, which will look more closely at the structure of our defense institutions, so that the necessary decisions can be made with regard to the 1990 fiscal year.

“Until then, our defense spending will be maintained at the current level, with adjustments to allow for cost and salary changes, and so forth,” the prime minister explained.

He maintained that it is generally necessary to operate under an austere economic policy. It should be based on a fixed exchange rate for the krone, low inflation, increased private savings and austerity in government spending.

What is necessary is that the deficit in the balance of payments should be done away with, more jobs should be created in the private sector, and government finances should be balanced, so that the burden of taxation can be lessened.

“We cannot promise any instantaneous tax relief,” Poul Schluter pointed out.

He had good news for industry: the government intends to simplify and modernize the regulations governing depreciation, making things more congruent with recent technological developments.

"Also, the inhibitive effects of the capital levy on industry will be abolished, by means of investment modifications. Both of these actions are intended to make the financing of investments in the workplace easier," he said.

Furthermore, doubled spouse deductions for married couples will be introduced over the course of the next few years along with the calculations for the capital levy. Also, self-employed operators of industries will be counted equal with salaried employees, in cases of employed spouses, among other things.

The Conservative-Liberal-Radical government intends to improve and elaborate opportunities for the unemployed. Special efforts will be made on behalf of particularly vulnerable groups.

"Unemployed persons who will risk falling out of the system during the transition period will be offered special opportunities for education, with the idea of keeping them in the system," the prime minister said.

Minister of Labor Henning Dyremose (Conservative) will report before summer recess on the problems of the long-term unemployed, and the government will propose the related bills in October.

Before summer recess, the rent burdens of the debt-laden farmers will be alleviated, Poul Schluter announced. Also, the government intends to set up "emergency first aid" to negotiate with the credit unions to let the farmers have credit with installments.

"If we try to reconcile our differences, to build bridges between opposing forces, we will generate resources for good and constructive solutions, for the good of the entire population," the prime minister concluded.

Skepticism From Left, Progressives

36130069 Copenhagen *BERLINGSKE TIDENDE*
in Danish 8 Jun 88 p 6

[Article by Susanne Hegelund: "Schluter Met With Skepticism"]

[Text] Both the bourgeois and the socialist parties in the Folketing were disappointed at Poul Schluter's introductory speech yesterday. Each wing of the bird believes that it has been made to bow down before the other wing.

Svend Auken (Social Democrat) says: "It is hard to find anything positive in Poul Schluter's speech. He gave free rein to the right side of the hall."

Pia Kjaersgaard (Progressive) says: "That was Poul Schluter's weakest speech to date. It showed the influence of the Radicals and the Social Democrats."

Different though they were, Auken and Kjaersgaard were agreed on the point that Prime Minister Poul Schluter's (Conservative) opening speech in the Folketing yesterday was not exactly their cup of tea.

"The speech was quite peaceable, but when all is said and done, it's difficult to find much else positive to say about it," was the opinion of the Social Democratic chairman, Svend Auken.

Besides the fact that the Radicals, as he sees it, have knuckled under to the Liberals and the Conservatives in security policy, he also feels that the new, small government party has had to defer to the two big powers on domestic policy.

"All the money that is available is going to be used to make the regulations governing write-offs more lenient, to support the farmers and the self-employed industrialists. Radical thinking has been dry-cleaned right out of the plans," was the evaluation of Svend Auken, who also mourns the loss of aid for the long-term unemployed. His party now intends to amend this on its own.

Svend Auken also complains that our defense problems are to be "preserved and pickled" by burying them in a defense commission.

"It is important for us to make decisions right now on the defense budgets for the coming years, and what they'll be using the defense commission for will be to shed light on the more long-term problems," says Svend Auken, who will be presenting a defense policy initiative before much time goes by.

This action is awaited with bated breath by the Center Democrats, who also have viewed the formation of the defense commission with skepticism.

"This current null solution is just filibustering on the part of the prime minister and the foreign minister," according to group chairman Arne Melchior.

The Progressive Party's policy spokesperson, Pia Kjaersgaard, thinks that this was Poul Schluter's weakest speech to date. "Let us see the proposals now. Then we can evaluate them," she says, even though right now her immediate reactions are far from positive.

"Among the Uland supporters, it is unbelievably embarrassing for the foreign minister, that now matters are proceeding without any changes—after the bombastic pronouncements he made before," said Pia Kjaersgaard.

Flemming Kofod-Svendsen of the Christian People's Party has positive opinions of the government's economic policy, but he found Poul Schluter's speech lacking in references to family and housing issues.

Gert Petersen, chairman of the Socialist People's Party, thinks that the basic assumptions of this government are so modest, that it actually could hold out for eternity.

"What we are going to see here is an entirely passive government, despite everything, where the only goals of its economic policy are to maintain the limits on public spending, and to reduce the number of employees in the public sector," says Gert Petersen, who thinks that the government will allow itself to be voted down on many issues, and will maybe have to resign without calling for an election.

Tomorrow there will be policy debates on the prime minister's opening speech.

Paper Lauds Speech

36130069 Copenhagen *BERLINGSKE TIDENDE*
in Danish 8 Jun 88 p 10

[Editorial: "The Government Has Shown the Way"]

[Text] Following an unceremonious, but particularly powerful appeal from the prime minister, calling for willing cooperation, the newly elected Folketing and the Conservative-Liberal-Radical government have begun their work. And that work will be hard! The time left before the summer recess will be hard, since there are a batch of acute problems—involving the farmers, among other things—which have to be solved; and, no less than that, the autumn will be hard, when the budget for 1989, with cutbacks of almost 10 billion kroner, will come under negotiation. The willingness of the opposition to cooperate, and the government's structural integrity, will definitely be put to the test.

For now, we can evaluate the new government's debut based on two results: 1) The solution of the controversy over the Danish nuclear weapons policy, which was the reason behind the election; and 2) the promises of continued, even strengthened, economic renewal, which Poul Schluter presented in his opening speech.

As prime minister for the "four-leaf-clover" government, Poul Schluter announced that after the elections he would work for regulations which would be based on the policy of a nuclear-free Denmark in peacetime, and which would be drawn up so as to be in agreement with the viewpoints of Denmark's allies. The formation of the Conservative-Liberal-Radical government has made this possible. The Conservative Party and the Liberals have agreed with the Radicals on a nuclear weapons policy which, for a change, is rather like the Norwegian one—but which the old Folketing's alternative majority—the Social Democrats, the Socialist People's Party and the Radicals—did not want to allow the "four-leaf-clover"

government to put into effect. This is a policy that Denmark's allies must be able to accept, without generating the necessity of reinforcement agreements. But it is no more than that. It is an acceptable compromise, which is clearly preferable over the Socialist People's Party-inspired Social Democratic agenda that brought on the election. But there doesn't need to be any doubt that it is a steadfast goal for the Conservatives and the Liberals to restore Denmark's reputation as a fully trustworthy alliance partner. And this will happen neither with the Norwegian solution, relative to nuclear policy, nor with a frozen defense budget ("at its current level, regulated with reference to cost and salary developments, and so forth"). In the midst of the otherwise justified rejoicing, no one should forget that in this new Folketing and new government we have not achieved an alternative security policy majority.

But there is more reason to rejoice over the prime minister's promising definition of the new economic policy—a definition which has been requested a number of times in these very columns. Outside of the "four-leaf-clover" government's well-known goal of getting rid of the deficit in the balance of payments, to keep a balanced government budget, to create new jobs in the private sector and to "create the preconditions for tax relief"—as the prime minister has expressed it—there are clear announcements from the Conservative-Liberal-Radical government concerning both the size of the public sector and industrial policy. These announcements almost justify the formation of the new government on their own. And these announcements emphasize the difference between what a bourgeois government stands for, in contrast to the Social Democrat-led government that was the alternative.

First of all, the prime minister asserted that the number of public employees would not rise. A 4-year-plan is being worked on, with the aim of gradually and naturally lessening personnel consumption. As a first step in that direction, the criteria for public salaries will be lowered by 2 percent this year, with an additional 1 percent next year. There is also the intention of limiting municipal personnel consumption in a similar way. The latter is no less necessary than the former, since the growth in public employment has occurred to a great degree in the municipalities. In any case, there has been talk of a report which ought to make a big impression on the many bourgeois citizens who at the beginning of the year were asking for a pared-down public sector, and who now—in addition—are skeptically inclined relative to the Conservative-Liberal-Radical government. It is going to become quickly apparent that this is an area where it will be easier to get the Radicals to express an opinion than the Center Democrats or the Christian People's Party.

The other thing that the prime minister promised is an altered industrial policy, taking into account the realization of the EEC's internal market in 1992. The depreciation regulations are going to be simplified and modernized, the harmful effects to industry of the capital levy

will be done away with, and the government is now researching the problems which the alterations in employers' taxes have caused in smaller firms. All of these are steps in the right direction—and also steps that are far from what the Social Democrats would do.

It will be exciting from here on out to see whether the opposition gives this cooperative democracy a chance. The Conservative-Liberal-Radical party has already shown the way, by coming into being in the first place.

9584

FEDERAL REPUBLIC OF GERMANY

Bonn Pleased With Success of Moscow Summit
36200142b Frankfurt/Main FRANKFURTER
ALLGEMEINE ZEITUNG in German 3 Jun 88 p 2

[Text] Bonn, 2 June—The Moscow summit has elicited a positive response in Bonn. The Federal Government and the coalition parties were especially pleased that Reagan stood up for the recognition of human rights. According to an initial statement by government spokesman Ost, the chancellor is happy about the successful summit and thanks President Reagan for having convincingly looked after German interests and the special interests of Berlin. The statement mentions the demand that the Wall be removed, commitment to the viability of Berlin and Reagan's efforts on behalf of Soviet citizens of German descent.

The meeting has given new impetus to an improvement of East-West relations, the Federal Government noted, adding that the dialogue must be continued, especially with regard to questions of disarmament and arms control. At the same time, it was announced that on Wednesday Reagan thanked the chancellor for his contribution to achievement of the INF treaty, following an exchange of ratification documents pertaining to that agreement. The Federal Government calls the INF treaty a first step that must be followed by three more disarmament accords: one on a 50-percent reduction in strategic atomic weapons, one on a worldwide ban on chemical weapons and one on establishing conventional stability in Europe and on reducing Soviet and American land-based atomic short-range systems with a range of less than 500 km "to equal upper limits." The chancellor is pleased that the USSR is no longer avoiding the dialogue on human rights and that "within the context of its policy of restructuring it wishes to realize a 'socialist state under the rule of law.' It is hoped that this will set standards for the allies of the USSR as well."

Minister of Defense Scholz expressed the hope that the summit would provide new impetus for negotiations on military stability in Europe. Scholz welcomed the fact that Reagan included the question of freedom and human rights and thus opened up the prospect that "the obligations of the USSR and of the other states that are advantageous in concrete political and practical terms

for the peoples" will now have to be met. The reduction in the number of mobile intercontinental missiles to the smallest number possible is especially important to the Europeans, he said.

SPD delegate Scheer, the chairman of the "Disarmament and Arms Control" working group of the SPD caucus, said that his party now expects Bonn to vigorously promote the disarmament process through its own initiative. One element of this is seeing to it that the INF treaty is not circumvented by a new buildup in atomic short-range missiles.

12271

CDU Still Behind SPD in North Rhine-Westphalia
36200151 Munich SUEDEDEUTSCHE ZEITUNG in
German 24 May 88 p 3

[Article by Hans-Ulrich Joerges, member of the editorial staff: "After Furious Start Now Stumbling: Norbert Blum's Chances Sagging Only 1 Year After Becoming CDU Chairman"]

[Text] "Johannes Rau, Social Democrats, we are ready to deal with you," shouted Norbert Blum. "Johannes Rau, come out of hiding! Johannes Rau, we are going after you!" It is exactly 1 year ago that Bonn's labor minister aroused the North Rhine-Westphalian CDU—which was exhausted from internal party trench fighting—from its lethargy with these cheeky words and mobilized it for an offensive against the super-powerful Social Democrats.

At the time, that is, during the Essen CDU Party Congress 22-23 May 1987, it seemed that with Blum's election as Land chairman, a new golden era was dawning in the young history of the largest CDU Land unit which had just been set up by combining the Rhinelanders and the Westphalians. The dismal chapter of self-destruction and intrigues against Blum's top-heavy predecessor Kurt Biedenkopf had finally come to an end: "Buddy Nobbi" was making solid policy, starting with a highly taxing cross-country tour. Regardless of whether he comforted the steel boilers and miners of the Ruhr valley, whose jobs were in jeopardy, or whether he petted rosy piglets on the farms of Westphalia, Norbert Blum did not think anything too undignified—Figaro here, Figaro there; the more colorful and livelier, the better. In the beginning, his own followers watched the dizzying activity their new leader displayed with speechless fascination. However, among Duesseldorf's Social Democrats, who were used to an opposition without teeth, the media-effective offensive sparked "virtual hysteria," as a member of the cabinet admitted candidly.

But since then Blum's campaign shouting has become significantly more subdued and there is now wide-spread disillusionment in the ranks of the Christian Democrats. Because the opinion polls indicate that, in the eyes of the

electorate, the CDU has not made any advances in spite of its vigorous start in Essen. On the contrary: the polling results, gloatingly disseminated by the SPD, show that the CDU has slipped below the meager 36.5 percent Bernhard Worms, the leading candidate at that time, had amassed in the 1985 Landtag elections. "The core of the electorate who traditionally votes for the SPD is without a home. We must offer them a new roof," said Bluem in Essen, underlining this as his strategic goal. Of course, so far he has not been successful—irrespective of his involvement in the coal and steel crisis. "The CDU fluctuates between 34 and 35 percent, and we have about 50 percent," stated Johannes Rau at the "first anniversary" of his challenger. "Those who chase me, will soon be tired." A cabinet cynic commented, with his hand over his mouth, that Rau, reassured by the result of the opinion poll, "has reverted to the 'proven method of governing by extremely waiting.' Not much is left of Bluem's initial exuberance: 'I have always known that this here in North Rhine-Westphalia would be a hard nut to crack. This is a long-distance race."

"Whoever could mobilize his team in a better way, would win the 1990 Landtag elections, he said the other day. 'I understand my work as being that of a trainer who must keep pushing his team over and over again.' But this is exactly what he has not accomplished so far. Rather, it looks as if the trainer is the one who does all the entertaining while his team is sitting in the grandstand. 'He is extremely upset. This is a big disappointment for him,' leading party functionaries say as they describe Bluem's political state of mind. For Bluem, the key experience was the failure of his party to carry the results of the Ruhr conference in Bonn back to the CDU camp. Earlier, after the party had neglected to put due emphasis on Bluem's contributions to the coal discussions in Bonn and the Frankfurt package for a social plan for the steelworkers, the support program for the region became, in February, shining proof that Bonn's labor minister does not only talk big, but can also resolve the Land's problems in an effective manner."

"Extremely Shaken Up"

Everything had been prepared down to the most minute detail. Immediately after the Ruhr conference, in the evening of February 24th, Bluem's representative in Duesseldorf, CDU Secretary General Helmut Linssen, sent out the draft of a flyer ("We are fighting successfully for our country") to all local party organizations that was to be distributed landwide in front of plant gates and in areas reserved for pedestrians. "Without Norbert Bluem and the CDU, the conference never would have been so successful," according to Linssen's cover letter to the 54 Kreis, 2,390 municipal and local chairpersons. "Please help us distribute this among the population. I am quite sure: we can be proud of what we have accomplished in Bonn for our Land." However, the appeal remained largely unheard; the scheme was a flop. The Kreis units reported back that only 60,000 leaflets had been distributed among the approximately 5 million people living in

the Ruhr area. And some people in the party's central office on Duesseldorf's Water Street thought that even that figure was a "fairytale." Even for his own Lower-Rhine district organization, Kleve, in whose southern part steel workers from Rheinhausen and miners from Kamp-Lintfort have their homes, the secretary general had to submit a negative report. "I don't behave like this, but in this case I told them a couple of blunt words."

Bluem appeared shocked over the apathy of the party base. "Mr. Linssen," he informed his secretary general, "only a cultural revolution is going to help." In an interview, Bluem publicly reprimanded his party: "The CDU of North Rhine-Westphalia must be stirred up. If they are still waiting for a prince to awaken Sleeping Beauty with a kiss, then they are going to wait for a long time, because something like this happens only in fairytales." The party machinery reacted with bewilderment; however, there was also resistance. The CDU in Herne did not want to be awakened with a kiss, Norbert Schlottmann, former Bundestag member, wrote angrily in a district newspaper. There was also unhappiness in all party ranks that the actionism in Duesseldorf was taking too much out of them; also, coal and steel had never been a CDU topic, and the miners in the district had never been among the party clientele.

For an entire year, the party conservatives had silently watched Bluem wooing the miners. Now that a reward in the form of greater voter agreement was not forthcoming, the dams seem to be bursting. Willy Wimmer, chairman of the Lower Rhine CDU district and a man who, from way back has liked to pull the strings behind the scenes, came out of hiding and made himself leader of the resistance movement. He is slowly getting tired, he said, of the political discussions being limited to Ruhr basin problems, the Bonn defense expert reprimanded his chairman who is still active in the social committees. "The Ruhr region must regain its health, but that cannot be accomplished by infecting the adjoining regions where most of our voters live." Similar dissatisfaction has been expressed for quite some time by the economic wing and the middle class with respect to master baker Hansheinz Hauser of Krefeld. For Bluem, another phenomenon was even more alarming than the openly expressed criticism: there were new signs of a relapse into the old unsavory practice of intrigues and targeted indiscretions.

The objective now is to reunite the party through a change in their political topics and a return to familiar conservative political areas. Coal and steel are matters of the past. "We cannot beat the SPD with such a care-taker stance," opined Linssen. In the future, the economic renewal of the Land, i.e., the economic competence of the CDU, will have first priority. That means that Heiner Geissler's strategic plans will be shelved for the time being and the North Rhine-Westphalia CDU under Bluem's leadership will be made into some kind of laboratory to open the party to the Left. "As to Rau's

replacement, the decisive question is who is better qualified to push the Land ahead. Hence, of necessity, the soft topics must be put somewhat on the backburner," Linssen said. For the remainder of the year, he wants to coach the CDU in its capability to campaign, i.e., the capability "to go out on cue," and this time it will be with typical CDU topics: a successful campaign in the spring for the "protection of the unborn child" will, after the summer pause, be followed by a campaign to retain small schools and against new "comprehensive schools" [where all elementary, intermediate and highschool classes are taught under one roof].

Bleak Money Situation

At the same time, the party machinery, which is in a deplorable state, must be made much more effective. Currently the political staff of the Duesseldorf party central office consists of only one woman and, according to critics, the managers of the associated units—social committees, economic council and middle class—lack the intellectual ability for political initiatives: "They only administer engagement calendars and that does not lead to anything." Linssen also knows that he has to understand his responsibilities in a more political way and be more active in public in order to unburden Bluem who is very busy in Duesseldorf.

During the first year after his election, Linssen was extremely busy with organizational cleanup work in the central party office. For instance, he spent 65 hours altogether on negotiations with the work council to standardize the widely diverging work contracts of the party workers from Rhineland and Westphalia. In addition, the party funds had dangerously shrunk—although Linssen had achieved annual savings of DM960,000. The membership development was just as bad as the financial situation: While the creeping emaciation could be stemmed under Bluem, the number of members, on balance, had continued to fall by 3,700 to 253,000. The blood-letting had been much worse in the preceding years: in 1984, the CDU lost some 5,000 members; in 1985, almost 10,000; and in 1987, about 7,000. An advertising campaign is now supposed to help close the gaps.

In spite of the disappointing results of the opinion polls, it cannot be assumed with any certainty that the Landtag elections of 1990 will be lost. "Now everything has to be subordinated to the image of Bluem grasping the nettle. Because this is not the image Rau is associated with." The SPD Land manager, Bodo Hombach, on the other hand, is already today sure that the CDU has lost all its chances. "Bluem thought he was kicking a sick dog, and he was very surprised that the dog had only been sleeping." In 1987, the SPD had "not been with it." However, Bluem's offensive during this weak period had mobilized the party and its sympathizers from the arts

and sciences at the end of the year. "Never again will the SPD be so out of it," says Rau's campaign manager, "and never again will the CDU be on center stage as it was in 1987."

07821

Albrecht Calls on Coalition To Halt Disputes 36200161a Munich SUEDEDEUTSCHE ZEITUNG in German 6 Jun 88 p 5

[Text] Braunschweig—In unusually sharp terms, Minister President Ernst Albrecht and his minister of the Interior, Wilfried Hasselmann, criticized the ongoing disputes within the national government coalition in two trenchant, coordinated speeches at the Land party congress of the Lower Saxony CDU over the weekend in Braunschweig. While Albrecht demanded that the personal conflicts between CDU-CSU and FDP politicians come to an end and be replaced by a much more convincing demonstration of common lines of policy, Hasselmann was more precise. Amidst loud applause, the Land party chairman said, "Let us all tell our friends in Bonn, as well as in Munich: The people of this country, and the people in our party, are completely fed up with much of that which is being offered us here. We will not tolerate having personal vanities and pomposness placed before work and reasonableness. Our party has not deserved this, our people even less so."

In contrast, both speakers noted that the ruling CDU-FDP coalition in Hannover is disciplined and objective in its workings. As evidence of this, Albrecht mentioned the fact that despite the narrow majority of only one seat in the Landtag, the government has not lost any important votes during the just-completed first half of the legislative term.

In the balance sheet of his government's accomplishments, Albrecht noted that Lower Saxony created more than 41,000 new jobs in 1987—more than any other Bundesland—which corresponds to a growth of two percent. The financial bottlenecks in the Land budget came about largely because of the discontinuance of the oil production royalty fees, which amounted to around DM1 billion, he said. According to Albrecht, the Land government reacted with an austerity program that admittedly cannot be continued in the long run. For this reason, he will stick to his guns on the issue of the redistribution of social assistance costs; the Federal Government must fulfill its constitutional duty and guarantee fairness among the Laender.

The extremely sedate party congress imparted the image of a unified Land party. The traditional conflicts between Oldenburg, Braunschweig and Hannover remained under cover. Wilfried Hasselmann was reelected Land party chairman by a large majority. The selection of Rita Suessmuth to the post of vice chairman was surprising insofar as the federal minister for Youth, Family, Women and Health Affairs garnered only 454 of

the 550 possible votes. On the one hand, this outcome fit in with the critical impression that the Lower Saxony CDU currently has of the work of the government in Bonn, while on the other hand it appeared to be a sign that the party is preparing to go into the 1990 election once again with Albrecht, who has governed since 1976, as its lead candidate.

12271

CSU Youth May Present Separate Slate of Candidates in 1990

36200161b Munich SUEDEUTSCHE ZEITUNG
in German 8 Jun 88 p 15

[Article by Martin Rehm: "Separate Candidate List in City Council Election: Young Union Wants To Take on CSU: After the Land Executive Committee Forbade Separate Course, a Test of Strength Is Now Expected"]

[Text] The Young Union (JU) of Munich intends "for the time being to stick to" its surprising and unanimous decision, as previously reported, to go into the next city council elections, in early 1990, with its own slate of candidates, despite the decision by the CSU Land executive committee that a separate JU slate is unacceptable for legal reasons. This was declared by the district chairman, Aribert Wolf, in response to questioning by SUEDEUTSCHE ZEITUNG. Preliminary thought is also being given to drawing up a "Young List" independent of the CSU.

The exact details of the legal objections put forward by the CSU Land executive committee are as yet unclear. "Once we have them in hand, we will take a look at them," Wolf said. The ban on separate JU slates was surprising because during the most recent municipal elections there were over 100 such slates throughout the Land, with no complications. For this reason, it is widely believed in the Munich JU that in this case legal reasons are being used as a pretext and that there is "something else behind" the decision.

It is being wondered internally whether perhaps the JU has become "too independent" or even "too uppity" for the mother party. However, the most important official body for the Munich JU is the Munich CSU district executive committee, Wolf said. This body will deliberate on the JU's venture at its meeting next Friday, he said. According to Wolf, the issue at hand for the Munich party now is to demonstrate alternatives for how young people can get onto city council in the next council election. If it happens that three young aspirants gain promising slots on the CSU slate, the JU would be willing to conduct a separate JU campaign for the city council election. If, however, the CSU is willing to place only one young candidate in a favorable position on the slate, the JU would be unable to accept it. "We won't go along with that," Wolf emphasized. A single young city

councilperson under the age of 35 would be "totally overtaxed" in view of the issues important to the approximately 200,000 young inhabitants of the city.

However, Friday's discussion within the Munich CSU executive committee will be encumbered by an incident that took place last Monday. Under instructions from CSU district chairman, the ex-mayor and Landtag delegate, Erich Kiesl, CSU district headquarters was prohibited from sending a press statement by the Munich JU to the media. The JU has yet to receive any explanation for this.

On the previous weekend, the JU had announced to the press its decision to put forward a separate slate of candidates. In order to ensure the widest possible distribution for the decision, the JU planned to send a press statement to numerous addressees, as is customary after press conferences. It is suspected that there is a connection with the CSU Land executive committee decision made the same day. In the meantime, no one is ruling out the possibility that the test of strength between the JU and the Munich CSU concerning adequate consideration for young city council candidates in safe slots will escalate even further.

Several statements from the JU indicate that this will be the case. If there is no agreement, some in the JU are already considering putting forward a separate "Young List" that is independent of the JU and the CSU. Several concrete names for such a move are already circulating within the Munich JU. Ultimately, the JU is also dissatisfied that the party continues to put off deliberations on the next mayoral candidates. Reportedly, once it is finally known that the chairman of the CSU caucus in city hall, Walter Zoeller, is not being considered as a candidate against Mayor Georg Kronawitter, the deliberations on a different candidate should gain new impetus.

In the JU, there is support for energetically seeking a candidate who is younger and who will also be available for the city council election following the next one. In view of the refusal by Zoeller, who is reportedly not entirely opposed to a separate JU city council slate, it is openly conceded that the CSU "is in a dilemma" concerning the mayor question.

12271

SPD Considers Tax Increase Inevitable

36200146a Frankfurt/Main FRANKFURTER
ALLGEMEINE ZEITUNG in German 1 Jun 88 p 6

[Text] As far as the SPD is concerned, without massive tax increases the federal budget is on the verge of collapse. To date the coalition has ruled out an increase in the value-added tax. According to an assessment by the Social Democrats the deficit in the federal budget will increase from more than DM41.1 billion this year to DM48 billion in 1989. In 1990 it will rise to DM59.1

billion and in 1991 to DM62.9 billion. SPD's Bundestag faction spokesman for fiscal policy, Apel, stated in Bonn that this deficit will not be covered by the scheduled new public debt of DM39 billion in 1988, DM30 billion in 1989, DM36 billion in 1990 and DM31 billion in 1991, nor by an DM8 billion increase in excise taxes and the Bundesbank's profit, which is once again anticipated to occur. Apel figured the remaining deficit for 1988 at DM2.1 billion; in 1989 it will rise to DM18 billion, in 1990 to DM23 billion and in 1991 to about DM32 billion.

In Apel's opinion Stoltenberg is violating Article 115 of the Basic Law because he is not observing the debt limit prescribed there. New indebtedness must not be higher than investment expenditures. The budget calls for the Federal Government to invest DM34 billion in 1988. Thus, when compared to the deficit determined by the SPD, there will be a shortfall of DM7.1 billion. In 1989 the "unconstitutional deficit" will reach the DM9.3 billion level. Such a violation of the constitution can only be avoided by a massive increase in contributions for unemployment insurance and by rejecting the initiative of Lower Saxony minister-president Albrecht who wants to shift half the public assistance burden from the municipalities and Laender to the Federal Government.

The third stage of the tax reform in 1990, which is supposed to provide citizens with about DM20 billion in net relief, is characterized by Apel as "deceptive packaging." In 1989 taxpayers would have to expect increased burdens of about DM22 billion. These would consist of DM5 billion from the first stage of increases in excise taxes, DM3.8 billion from increasing contributions to unemployment insurance, DM3.6 billion from higher health insurance contributions, DM6.5 billion from higher personal participation on the part of insured in the costs of illness, according to the draft of the health reform law and DM3.4 billion from introduction of the withholding tax from 1989 on.

Apel predicted that Minister of Finance Stoltenberg (CDU) will "by necessity" have to raise the value-added tax. The government has even built this firmly into its planning starting in 1991. Finally, an increase in the value-added tax from 14 to 16 percent will provide the Federal Government with DM13 billion extra income.

Parliamentary undersecretary in the Ministry of Finance, Voss, characterized Apel's figures as "grossly exaggerated and in part even demonstrably wrong." In the details to the budget in 1988 the SPD is anticipating reduced tax receipts of DM300 million while data from the most recent tax estimate indicate that increased tax receipts of DM300 million can be expected. The calculations for subsequent years are likewise erroneous because all remotely conceivable risks were included in them. Voss confirmed the fact that the government will decrease net borrowing for 1989 by at least DM10 billion.

12124

Greens' Return to Bundestag in 1990 Seen as Unlikely

36200161c Munich SUEDEDEUTSCHE ZEITUNG
in German 7 Jun 88 p 5

[Text] Petra Kelly and her former parliamentary colleague, Gert Bastian, doubt that the Greens will return to the Bundestag in 1990. In an interview with the magazine BUNTE, the member of the Bundestag spoke of the "atrocious desire by the gurus on the fringes of the party to get ahead." Gen Bastian, retired, complained that the human climate in the current Bundestag caucus is even worse than in the old one. "I believe that I would have resigned from this caucus after 4 weeks," Bastian said. Despite sharp criticism of the power struggle among the Greens, however, both politicians hold firmly to the "Green idea."

In an interview with BILD-ZEITUNG, the head of the "Gray Panthers Senior Citizens Organization," the Bundestag deputy, Trude Unruh, also lamented that the Greens of today have nothing to do with the old Greens. She proposes that a new Green party, called the "Democratic Greens," be founded.

12271

Lower Saxony Finance Minister on Public Assistance Program

36200146b Frankfurt/Main FRANKFURTER
ALLGEMEINE ZEITUNG in German 1 Jun 88 p 14

[Article by Birgit Breuel: "Public Assistance Also an Issue for the Federal Government"]

[Text] In April the Bundesrat approved Lower Saxony's recommendation to involve the Federal Government in financing 50 percent of public assistance which in 1987 amounts to a total of about DM20 billion. The Laender give the Federal Government 4 percent of their share of the value-added tax (currently about DM5 billion) to finance the additional federal expenditures. Lower Saxony's initiative seeks to relieve the above-average burdens on the financially weak Laender from payments in accordance with the federal public assistance law in order to avoid a further widening of the gap between the financially strong and the financially weak Laender and keep from negatively impacting the efficiency of the federation.

Alfred Boss and Peter Trapp's article "Public Assistance Is an Issue for the Municipalities" in the FRANKFURTER ALLGEMEINE ZEITUNG has added an additional dimension to the discussion about the Lower Saxony model. It calls for concentrating in the municipalities both the determination of the level of public assistance as well as how it is to be financed. Thus, the authors expect a reduction in the total cost of public

assistance—primarily in structurally weak regions—, stronger incentives to become gainfully employed even for lower incomes, and ultimately improvement in the employment situation.

In my opinion there is no basis for this hope.

1. I would first like to set forth the following points:

Today public assistance is by no means financed solely by the municipalities. The Kiel authors totally neglected to consider an essential component in the costs of public assistance. In Lower Saxony the Land, as the umbrella organ for all localities, bears about half the public assistance due in Lower Saxony in 1987, amounting to DM2.5 billion. These Land payments are primarily spent on providing shelter for older people and the handicapped and for helping to assimilate handicapped people. Even throughout the country these costs account for more than half the DM20 billion in public assistance; financing arrangements between Laender and municipalities are variously regulated from Land to Land.

The costs of providing shelter, which will no doubt continue to increase because of demographic developments, and expenditures for assimilation assistance can hardly be reduced by the proposed regionalization of public assistance legislation.

On the other hand, direct relief for half of these costs for the Laender would restore to the financially weak Laender the financial latitude to be able to also realize the future investments which are urgently needed for positive economic development.

2. In my opinion there are no solid indicators even for the assumption that public assistance costs would decline if the municipalities would set public assistance rates in accordance with the specific regional income levels.

The minimum social subsistence level which public assistance is supposed to guarantee is determined not by the level of the regional income, but rather by the cost of living. The differences in living costs—primarily between city and Land—are specifically the result of regionally different rents. Today in public assistance special rent subsidies address this issue. Beyond that, the range of public assistance rates (DM392-DM418 per month for single persons) traditionally reflects the regional differences in the cost of living.

It is my belief that a marked reduction in public assistance expenditures through greater regional differentiation in public assistance rates would be possible only if the assurance of a minimum subsistence level in the event of neediness were to become uncertain. That would be indefensible.

Moreover, it is for this reason that the basic principles of public assistance are also set uniformly throughout the country because the Federal Government is obligated by virtue of the Basic Law to safeguard uniform living conditions nationwide. Accordingly, all other elements of the "social net" are also regulated by nationally uniform legislation.

Nationally uniform public assistance rates are likewise not responsible for hampering greater flexibility in wages and wage structure in the structurally weak regions and thus better employment opportunities. It is primarily the collective bargaining agreements which are too inadequately differentiated by regions and industries. Thus, shipyard and steel workers—as long as they have work—have above-average earnings. What we need in order to solve this problem are not more strongly regionalized public assistance rates, but rather more strongly regionalized collective bargaining agreements.

Faulty understanding of the circumstances is reflected in the assumption that the Federal Government's taking over 50 percent of the public assistance costs would result in generally rising public assistance burdens since Laender and municipalities would no longer exercise the necessary care and economy in approving public assistance. On the one hand, Laender and municipalities would continue to pay 50 pfennig of every public assistance DM from their budget—even if heavily burdened. On the other hand, the Federal Government would, in terms of our proposal, for the first time bear joint financial responsibility for "its" federal public assistance law. The Federal Government is traditionally responsible for shaping the law. If it were involved in the financial consequences of this shaping, even the Federal Government would have its own financial interest in working together with Laender and municipalities to tackle the solution to the problem of rising public assistance burdens. It seems obvious to me that public assistance could also be shaped in a more cost-favorable manner (without making the situation of the really needy worse) if the Federal Government would pay greater attention to this aspect in its legislation.

Our federalist principle must prove itself on the basis of the readiness at all levels nationally to assume this responsibility.

Via the new controls which were put into effect in 1987, the Federal Government and Laender found a functional compromise for the financial equalization sector which has the effect of equalizing revenue generating power.

The Lower Saxony initiative to distribute the burden of public assistance is now the logical second step toward decreasing the disproportionate expenditure burden of the financially weak Laender by means of the federal public assistance law.

FINLAND

Center Party Secretary Kaariainen on Political Outlook

36170084 Helsinki HELSINGIN SANOMAT in Finnish
5 Jun 88 p B 2

[Interview by Anneli Sundberg]

[Text] The secretary of the Center Party, Seppo Kaariainen, puffs himself up in a small chair of the representatives' work room, fixes his gaze into the distance and proclaims: "We are the alternative."

The bravado, this time, is not entirely without foundation. The party secretary does not need to worry, although the circuit court, namely the party meeting, sits in Kajaani within a couple of weeks. The ruling parties, especially the Social Democrats have acted in sufficiently muddle-headed fashion that the largest opposition party can reliably count on their political future. One can at present expect moderate success in the municipal elections, and the Center Party would undoubtedly not take it ill if the Conservative Party and the Social Democrats would drift into a suicidal tax policy and the ruling positions would be divide up sooner than expected.

Party secretary Seppo Kaariainen is amused by the anxiety of the government. The most recent polls seem to indicate that the unexpected success of chairman Paavo Vayrynen in the presidential election was not a chance protest. The Center party seems to possess influence beyond all political prognostications.

[Question] What possibilities does the Center Party have to become the country's largest political party?

[Answer] They are surprisingly good. A year ago I did not want to believe that we would now be within single percentages of the country's largest party and that SDP is number two. We are on an upward trend, since the Conservatives and the Social Democrats are either treading water or going backward. At least by the early 1990's we have the possibility to become the country's largest party.

[Question] Will you win the municipal elections?

[Answer] We will win and we will win big. The development begun in the presidential elections will continue.

[Question] On what do you base your optimism?

[Answer] On the Gallup showing, but above all with this political arrangement. The alternative politics of the Center will be gnawing at both of our most important competitors, and also the Conservatives. And SDP has

already fared as it has fared, and its direction will most likely continue as it has been. All of this improves our chances. The arrangement is altogether strongly in our favor.

Government Held Together by Fear of Vayrynen

[Question] How are you going to annihilate the Conservative Party; it seems to be bettering its position all along?

[Answer] The conservatives have lost support compared to the parliamentary elections. Their small entrepreneurs and functionaries are our potential supporters.

[Question] Do you really believe that some Social Democrats would join you?

[Answer] Some have already joined us, but perhaps the Conservative and the Agrarian parties should be our main focus."

[Question] SDP leaders were shocked at the poor showing in the new polls. How does the future of the government look now?

[Answer] In my opinion, no matter what happens in the government or in the polls, this foundation will carry us all the way to the parliamentary elections. They will be held perhaps in 1991. The government has been loaded with so much political braggadocio, that in a way, it just has to continue until the next parliamentary elections. The ruling parties can not admit after a passage of only a short period of time that they have failed, even if they have, as it now seems. Both parties fear the Center Party and Vayrynen so much that they have to stay together. This government is the creation of Kalevi Sorsa and in practice he makes the decisions for the SDP.

[Question] Don't you believe that the SDP political leadership will leave the government?

[Answer] No, I don't believe they will.

[Question] Do you consider early parliamentary elections to be a possibility?

[Answer] No I don't, but I do think that if the government politics reach a dead end, the result will be some kind of internal political crisis, which might have to be resolved by an election. Economic development, tax reform or some unexpected result in the municipal elections, for example, might lead to an impasse. Of course we are not in favor of early elections. Ideologically our starting point is that the parliamentary elections will be held in 1991 and the cards will be dealt anew then.

The Doors Are Open to All Views

[Question] With whom do you plan to work in the government since the Social Democrats say that you have burned all the bridges behind you?

[Answer] Burning of the bridges is garbage. The reasons for breaking off cooperation with the SDP are what Sorsa said they were. He began discussions with the Conservatives about changing the foundation.

[Question] But you did not know about the discussion; rather you were plotting a secret agreement with the Conservatives.

[Answer] Of course we now know, and we knew even right after the discussions, this was a desperate effort on behalf of the blue-red coalition.

[Question] When?

[Answer] At the junction of 1985-86; but in regard to the main question itself, we have a firm line. We have learned from experience. We will not tie ourselves down beforehand to any premise, or any party. All the gates are open.

[Question] And toward people?

[Answer] We are not tied to particular individuals either. To translate, this means that the parliamentary elections have a privileged role, as we make our own choices.

Farmer To Conquer the World

[Question] Will you announce Vayrynen as the presidential candidate in Kajaani?

[Answer] That is not a timely question.

[Question] Your success depends on Vayrynen's presidential candidacy. Why discard a good asset?

[Answer] The future can not be built on the basis of personal or power politics. From here on we will be conducting the main struggle over whether this country will be led by the SDP with its superior power—which is supported by the Conservatives—or whether the Center will arise as a viable alternative in the eyes of the voters as well as among its members. Harri Holkeri's government clearly follows the SDP line, which the people rejected in the last parliamentary elections. The continuity of SDP's activities was assured by a governmental decision, and the Conservatives made the mistake of supporting the Social Democrats. An alternative must be provided for the government policies. And we are it.

[Question] What is your political appeal in Kajaani?

[Answer] In addition to the municipal elections and the change of name the focus in Kajaani will be on environmental problems.

[Question] How are you going to handle them?"

[Answer] I wouldn't phrase it that way. Environmental problems are becoming more acute all over the world in such a span of time that we can no longer stand idly by. We will try to place ourselves on the forefront of lasting development.

[Question] Is this a theme for the municipal elections?

[Answer] It is one among others.

[Question] Why don't you put yourself up as candidate in the Helsinki municipal elections?

[Answer] We agreed with the chairman that it is not wise for the party secretary to set himself up as a candidate, when he [the chairman] is a candidate.

[Question] Why did you change your mind, and decide not to give up your party secretary position?

[Answer] All this was the result of a request by the eastern district council for continuation and also by Vayrynen.

[Question] If you are chosen will the term be your last?

[Answer] I would think so, although one is always cautioned not to swear [to such things].

[Question] Are you chairman material, if Vayrynen decides to relinquish his position?

[Answer] Heh heh ... I can't really say, and I am not really contemplating it as it is not really a possibility in the near future.

[Question] You mean Vayrynen's departure?

[Answer] That is my prediction.

[Question] Will you be changing your style now that the Center Party is planning to join the [Liberal International]? You are acting as if you were a agrarian?

[Answer] That interpretation is the editor's, but of course I always try to be my own man and to remain faithful to my roots. It's true that I have two sets of roots: those from Helsinki and and from upper Savo. A person can not get rid of his basic nature and doesn't need to.

[Question] Could you not at least control your Savo dialect somewhat? You do also know the standard language.

[Answer] I know the standard language quite well, but I don't perceive myself as being a rustic or a yokel. I am a Centrist. The competitors, or those who do not like me, are labeling me as an eternal country bumpkin.

Critics' Barbs Do Not Wound

[Question] You have made it easy for them!

[Answer] So I have. The dialect and Savo roots are the kind of background which gives support for such claims.

[Question] You and Vayrynen are accused of dictatorial leadership in the party. Couldn't the party be led more democratically? Does it worry you or Vayrynen that influential party members are constantly criticizing and attacking you?

[Answer] I contest the dictatorial claim sharply. Every small and large matter gets discussed very thoroughly within the party organs, but of course every policy must have its start somewhere. If the party wants to stay alive and renew itself, then a strategy [toward that end] has to be developed. If the party leadership does not think of these matters, then it is not being responsible in its position. They ousted immediately and be replaced by new men to ponder the situation.

The experts will have to admit that Vayrynen wants to test his ideas with many people before he comes before the party organs. In his own way Vayrynen is realizing a very broadly based style of initiative.

I have a feeling that those are their own personal views without any broader support. They have the right to say what they wish about me and other people. I have noticed, however, that our people, at this juncture, do not comprehend nor want to tolerate a lot of discussion with a potential for conflict.

At the Kajaani party conference the Center Party wanted to change its name to the Center Party of Finland or Finnish Center Party. Kaariainen favors the former. The change of name is part of the Center Party's attempt to spread like an ameba into the southern cities and to create for itself a reputation for tolerance and liberalism. Part of the plan of attack includes an attempt to become a member of the [Liberal International]. The leadership of the Center Party has never been plagued by an excessive humility.

[Question] What other liberals can you display besides Eeva Kuuskoski-Vikatmaa?

[Answer] Many, many people. Our politics also have their center-liberal strains. I will give you a parallel. The Swedish Peoples' Party is a member of the [Liberal International], and there it has practically created a rightist faction. If anyone opposes our membership it is mere nit-picking. We have no right wing.

If it should happen that, in spite of the pious belief of the party secretary, some right wing member did exist, then at least he is not organized. That is undoubtedly so.

12989

Swedish People's Party Congress Presents New Program

Contest for Liberal Voters

36170077a Helsinki HELSINGIN SANOMAT
in Finnish 1 Jun 88 p 11

[Text] The Swedish People's Party (RKP) will approve a new platform at its party congress next weekend in Pietarsaari. The work of the Conservative-Socialist government will also occupy center stage at an otherwise routine party congress.

Christoffer Taxell, minister of education and RKP party chairman, and Peter Stenlund, party secretary, presented a draft of the party platform to the press on Tuesday. At the same time, they announced the RKP's campaign slogan for the municipal elections next autumn. It is simply: "RKP—the People's Party."

According to Taxell, there are two trains of thought behind the campaign slogan. On the one hand, it emphasizes the RKP's liberal tradition and, on the other hand, the RKP's role as a popular movement.

The new platform replaces the platform that was approved in 1974. More than before, it emphasizes the free market economy, among other things. Taxell and Stenlund deny, however, that the party has moved to the right any more than it has to the left.

"We form our opinions one issue at a time. We may be conservative on some issues, moderate on some, and liberal on others," said Stenlund.

From the party congress Taxell expects and wants criticism of the party's participation in the work of the Conservative-Socialist government. The party leaders have safeguarded the rear, however: throughout the spring, party administrators have issued stern statements about progress on tax reform within the government.

Presidential Elections Still Far Off

Taxell was cautious in his remarks on Tuesday. He did not state his view on whether the RKP should put up a presidential candidate alone—Taxell, for examples—or together with the liberals.

Nor did Taxell predict what stand the RKP would take on the Center Party's membership in the Liberal International. Plans are to make a decision soon, but not in Pietarsaari.

The party congress is expected to elicit talk about liberal voters. In recent years, the RKP has culled a remarkable share of votes—at least 30,000, estimates one RKP member—from Finnish-speaking liberals in parliamentary elections. The Center Party is now coming in for a share of the same spoils, and the situation is especially irksome to the RKP.

In Pietarsaari, the party leaders may end up listening to an angry debate on nuclear power. Barely a month after the Chernobyl power plant accident, the party adopted a negative, albeit ambiguous, stand on the construction of additional nuclear power plants. The decision has not been changed, and it probably will not be now, either.

No new faces are expected in the party leadership this time around. Likely to continue leading the party—in addition to Taxell and Stenlund—are Hakan Malm, Henrik Lax, and Maragreta Pietikainen as deputy chairmen.

Stress on Green Issues

36170077a Helsinki HELSINGIN SANOMAT
in Finnish 1 Jun 88 p 11

[Article by Pekka Vaisanen]

[Text] The new platform of the Swedish People's Party embraces the world. In it all of society's groups and segments are taken into account: children, the elderly, the handicapped, and linguistic minorities, too. The entire range of human life has been accommodated on its 24 pages. The platform's title is "Belief in Man."

The stand on regional planning and traffic policy serves as an example of how all-embracing the platform is and how it takes all groups into consideration:

"A well-balanced country requires good traffic connections. The network of roads must be kept in good condition in all parts of the country. Air and railway traffic must be improved. In addition, a broad network of buses is still important both in cities and in sparsely settled areas. In particular, the archipelago needs good traffic connections. Some Finns earn their livelihood through shipping."

The RKP's current platform dates from 1974. The goal is to approve the new platform at the party congress next weekend in Pietarsaari.

Popular Movement of Promoters of Bilingualism

The platform was developed throughout most of the 1980's under the leadership of party secretary Peter Stenlund. It will probably be approved with only minor changes at the party congress.

Unlike the RKP's other documents, the platform is drawn up in both official languages. Emphasized in the new platform is the party's position as "popular movement of all those who together want to promote Finland's bilingualism."

The RKP is defined in the old platform as a "popular political movement of Finland's Swedish and bilingual population."

The RKP's weak point is nuclear power. In an ideologically wide-ranging party, there is room for diverse opinions on nuclear power.

The new platform does not offer a ready-made stand on nuclear power. The platform only says: "Linked to nuclear power are risks which are unacceptable." According to party chairman Christoffer Taxell, this does not mean a vigorous no to nuclear power. The RKP's complex stand on nuclear power is still what was included in the party's energy-policy program a few years ago. The stand is so structurally complex that people in the party office refuse to express it in a couple of sentences.

Ecology Has Central Place

The basic principles of the RKP platform form a chain which could be called a song in praise of liberalism. Everything is based on the individual human being and his or her freedom, but justice for all is emphasized at the same time. Yet freedom of the individual presumes a free market economy. A market economy must be based on products unharmed to the environment.

Party secretary Stenlund considers the stress on ecology one of the biggest differences between this platform and the old one. Stress on a market economy is also something new. This means that the RKP wants to abandon the "central bureaucracy" as a force which regulates the market economy. In the RKP's opinion, society must offer a framework for—and not restrictions on—a market economy.

"People at the party congress will divide up into two sections. One side will think that the party platform is too broad and general. Others will think that it isn't broad enough and lacks vision," wagered chairman Taxell on Tuesday.

12327/06662

Poll Shows SDP Losing Largest-Party Status to Conservatives

Continuing Drop for Socialists

36170077b Helsinki HELSINGIN SANOMAT
in Finnish 1 Jun 88 p 11

[Text] The Social Democrats have relinquished their position as largest party to the Conservatives, according to the most recent opinion poll.

A survey conducted by Economy Research for radio news showed that support for the Conservative Party was 22.5 percent in May. Support for the Social Democratic Party (SDP) had fallen to 21.6 percent.

In the survey 1,925 citizens were interviewed. They were asked which party they would vote for if the municipal elections were held now. Eighty-two percent of the interviewees announced the party of their choice.

The Social Democrats' support has fallen steadily throughout the spring from January's 25 percent. Correspondingly, the Conservative Party's support has been rising subtly. No big changes have occurred in support for other parties.

Of the other government parties, the Rural Party's support has remained practically the same in recent months—about 5 percent. The 5.6 percent support recorded for the Swedish People's Party was somewhat better than at the start of the year.

Of the opposition parties in Parliament, the Center Party's support was measured at 19 percent. That figure is about the same as in the presidential elections. Support for the Finnish People's Democratic League was gauged at 9.6 percent; the Democratic Alternative had 3.7 percent of the interviewees behind it. Announcing their support for the Greens were 5.2 percent, for the Finnish Christian League 2.9 percent, for the Liberal Party 1.6 percent, for the Constitutional Right Party 0.1 percent, for the Retirees' Party 2 percent, and for others 1.2 percent.

The survey shows that nearly 2.5 percent of those who backed the Social Democrats in the last parliamentary elections intend to vote for the Center Party in the municipal elections this autumn. It is also surprising that 11 percent of those who voted for the Greens in the last election announced they would support the Conservative Party in the municipal elections.

Tax Reform Done Obscurely

Pertti Paasio, chairman of the Social Democratic Party, thought that the "ambiguously prepared tax reform" was the reason for the drop in his party's support.

"I consider it very likely that the ambiguity which surrounds the direction and various details of the tax reform has been a significant factor in shaping the outcome of this opinion poll. The uncertainty which prevails is very suspicious to citizens, and I understand very well that they are skeptical about an issue which they don't know too well," says Paasio.

Paasio's comments may be seen as an indirect accusation against the Finance Ministry headed by his party colleague Erkki Liikanen. Tuesday, Liikanen did not want to comment on Paasio's assertions.

In Paasio's view, the tax reform preparation has been bogged down in red tape.

The falling figures of support are on the agenda of the political committee that meets on Tuesday.

Paasio was not entirely convinced that the Conservative Party had surpassed the SDP in popularity. He referred to a month-old poll in which the order was the opposite. It was then thought that the Conservative Party had suffered more than the SDP from the tax reform.

Paasio Will Not Enter Government

Paasio will not enter the government in the autumn, "as matters stand." Paasio will examine the party's relationship with the government in an interview Tuesday in TURUN PAIVALEHTI's 90th anniversary issue.

According to Paasio, there is no compelling reason why he should enter the government, unless major changes occur in the political outlook.

In his May Day speech, Foreign Affairs Minister Kalevi Sorsa brought up Paasio's entrance into the government. According to Paasio, Sorsa's proposal resulted from the fact that the foreign affairs minister had a more critical picture of government collaboration than others did.

However, the outlook may change if, for example, the battle mentioned in Sorsa's speech ensues in the government, at which time the party's "first-string team" will be needed in the government.

Paper Comments on Socialists' Problems

36170077b Helsinki HELSINGIN SANOMAT
in Finnish 1 Jun 88 p 2

[Editorial]

[Text] The parties' support figures remain fairly stable from one month to the next. Small fluctuations form part of the nature of polls and are not necessarily genuine. This spring's downward slide in support for the SDP seems such a clear-cut trend, however, that it cannot be a question of mismeasurement. According to surveys conducted for radio news, the Social Democrats have fallen from their normal 25-percent range to under 22 percent, or under the Conservative Party's figures.

The presidential elections and the Koivisto phenomenon no longer give a boost to the Social Democrats. But there is more to it than that. The Conservative-Socialist government has put to the test primarily the SDP's support, not the Conservative Party's. The reasons are not as simple as they seem. The first thing people remember is the debate on tax reform and Finance Minister Erkki Liikanen's act to restrain the general spending spree. It has given birth to disappointment and various fears among Social Democratic backers.

The SDP's new leaders stayed out of the government a year ago because they wanted to escape the burden of a regent party. They did not succeed, however. As before, the SDP is a key government party, but chairman Pertti Paasio keeps constantly aloof from the political debate. Virtually the only thing he discusses in public is under which conditions he might possibly join the government. He spoke on this subject most recently Tuesday. The issue appears to have become an increasingly serious problem for him.

If the SDP earnestly intends to continue its current government collaboration, Paasio will have to end his public speculations and enter the government. If, on the other hand, the Conservative-Socialist government's conditions for action make people suspicious, the situation is different, of course. People are now obviously waiting for the autumn, but what about after that? The municipal elections are just around the corner.

12327/06662

Newspapers Around Country Comment on Communists' Problems

New Leadership in SKDL

36500123 Helsinki HUFVUDSTADSBLADET in Swedish 24 May 88 p 2

[Editorial by Bjorn Mansson: Guise To Cover the Guise"]

[Text] "The "left flank" risks being a new guise for the FKP [Finnish Communist Party] guise which the SKDL [Finnish People's Democratic League] has already formed," writes Bjorn Mansson on the occasion of the SKDL Congress. He also comments on FKP Chairman Aalto's departure.

The SKDL is currently a fascinating party for the Finnish people.

Over the weekend, in order to call attention to its distance to the largest member organization, the [Finnish] Communist Party, the congress, for the first time in its history, elected a communist as chairman.

The FKP [outgoing] leadership who did not want Reijo Kakela, who is a communist, to become SKDL chairman, sponsored the noncommunist Finnish-Swede, Claes Andersson, member of parliament, who is an author and a jazz pianist.

Kakela, who is a theologian by training, will now leave the FKP politburo to emphasize SKDL's independence against the FKP—a member of which he, however, intends to continue to be.

The chairman of the election committee at the congress which stood behind the brilliant construction designed to detach the SKDL from the FKP, was Jarmo Wahlstrom, member of parliament, who is expected to succeed Arvo Aalto as FKP chairman at the end of this week.

Aalto is stepping down, disappointed with the course of events at the SKDL Congress.

Actually, it is quite understandable that the previous SKDL chairman, Esko Helle, de facto gave up the fight for leadership by the time he opened the congress. Helle seemed bitter about having been outmaneuvered and, above all, he seemed tired of the entire business.

As the SKDL/FKP organ KANSAN UUTiset admitted, quoted below, the congress was dominated by the hard fight over the chairmanship position. Manipulation, cliques and harsh words about the opponent was the primary impression of a congress which was supposed to bring the SKDL to new heights.

In fact, it was not Kakela and Andersson who were fighting one another—they have similar ideas of how the SKDL should develop—rather it was the forces behind them.

Kakela's controversial personality and the fact that he was allowed to stand as a symbol for the demand of looser ties to the FKP yielded him enemies. The trade union flank also showed itself to have an axe to grind with him after his criticism of the diminishing trade solidarity with the low wage earners and the unemployed.

All this dissatisfaction was channeled to Claes Andersson who was utilized for goals which need not have been his own.

The vote was amazingly even and Andersson's 62 votes (against Kakela's 99) represents a noteworthy achievement by a Swedish speaking academic in a Finnish-dominated, traditional labor party. Especially, since he was nominated at a late date and he did not even receive the support of all the Swedish delegates.

Actually, Claes Andersson would not have been the first Swedish SKDL chairman but the third. K.H. Wiik and Cay Sundstrom were the others, in that order, although their terms as chairman were short.

If one is to favorably interpret the chairman fight, one could talk about the open democratic process, which—to quote Andersson—"has not always been the case" within the SKDL which was more used to the "dictum from above."

On the other hand, the even figures show what a difficult task Kakela has in uniting his forces.

On the side of the losers remains the FKP leader, Arvo Aalto, who was ousted from the SKDL governing board and yesterday, he also drew his final bid for the FKP chairmanship. It was not the financial scandal within the FKP which felled Aalto, but his references to a "disgraceful game" within the FKP leadership which obviously concerns, among other things, the fight for the chairmanship within the SKDL.

One of the cleanest contributions to this fight was Helle's harsh criticism of the FKP leadership's way of taking advantage of the SKDL for their own purposes—and Aalto's evasive warning of anticommunism.

And that exchange of views can in fact be grouped with the more polite.

Former chairman and presidential candidate, Kalevi Kivisto, did not make an appearance at all in Turku [Abo] but his spirit hovered over the congress. Encouraged by the progress in the presidential election with the "one time movement" Action 88, the SKDL now wants to broaden its foundation to a reddish green, more toward a "eurosocijalistic" than a communist direction.

It is, however, somewhat unclear what is actually intended with the "leftist league" which became the slogan for the entire reform process. For a time, one had the impression that this congress would change the name of the SKDL but that did not happen.

The plan is, however, to call together a so-called "leftist forum" within 1 year. At the earliest, the SKDL will change its name at the next congress in 1991, or at least declare to be a broader "leftist league" than it is now. Already before the nominations for the local elections in the fall, the broader foundation will be apparent.

Therefore, it is an obvious risk that during the transition period, at any rate, that the label "leftist league" will function as a cover for the FKP which the SKDL already represents!

The question is how many guises are considered necessary!

The question is also how the FKP/SKDL traditional organizational structure will allow itself to be changed.

The planned foundation is to encompass everybody from the class-conscious communists of taistoism [followers of Taisto Sinisalo] to leftist socialists and dissatisfied leftist social democrats crossing over to the "socially minded" Greens, as well as single purpose movements and alternative movements of all possible variations.

Already yesterday, leading representatives of the Greens and the Taisto [Sinisalo] followers marked yes to participating in the "forum" next spring and no to participating in a new league.

In this context, it can be noted that a representative of the Greens at the SKDL Congress encouraged the SKDL to form its own Green phalanx "so that no one needs to go to another party." That is, for example, exactly the same as if a member of the SFP [Swedish People's Party] would encourage Finnish nonsocialist parties to found Swedish sections so that no one will have to go over to the SFP....

The prospects for a consolidation of the powers on the leftist wing do not seem to be the best. But if anything is to be accomplished, it is obvious that the SKDL must play the main role.

The Communist Party seems almost paralyzed with regard to action, especially after the financial scandal and the personal antagonism within the current leadership which Aalto referred to openly yesterday. Even if the election of Jarmo Wahlstrom as the new chairman would create certain preconditions for reconciliation between the old factions, the road ahead is long and rocky.

The misfortune of the Taisto [Sinisalo] FKP and the DA [Democratic Alternative] continues with deserters to both sides. One flock goes back to the homestead, the FKP/SKDL, and another flock goes to the extreme Communist Labor Party which was formed over the weekend and is led by the DA district chairman of the new citizens.

The fact that the new party accuses Taisto Sinisalo's FKP of "crawling" into the FKP and the SKDL sufficiently speaks for its character. The party will hardly enjoy any sanction even among the conservative powers within the SuKP....

The government cooperation of the Social Democratic Party with the KOK [Conservative Party] logically creates a political and social position for every attempt to unite the powers left of the SDP [Social Democratic Party] and to attract new powers.

So far it seems, however, that with their split, the extreme leftist powers have done their utmost not to be able to pick up the fight for the leftist votes.

Maybe it is still not too late to try. As the SKDL Congress slogan indicated: there is movement in the left wing.

Other Papers Comment

36500123 Helsinki HUFVUDSTADSBLADET in
Swedish 24 May 88 p 2

[Text] There were comments on the SKDL Congress in several newspapers yesterday, of which the self-critical KANSAN UUTISET and IIKKA, the organ for the K [Center Party] are quoted on comments directed against the SDP [Social Democratic Party]. Another Center Party paper comments on the interview with Kalevi

Sorsa in HS [HELSINKISANOMAT]—with the spear directed at the KOK [Conservative Party]. The secretary of that party admits readily that the need for discussing the government profile is substantial. Also discussed is the extreme right in Finland, with one symptom appearing as a revival of discrimination against the Swedish-speaking community. The Suomalaisuuden Liiton [The Finnish Language League] also has responsibility in this.

The SKDL Congress Only Partly Satisfied High Expectations

High expectations were placed on the SKDL National Congress: it was supposed to pave the way for reform and progress and introduce the SKDL's development toward a broad leftist union, writes the SKDL/FKP main organ, the KANSAN UUTISET. The paper admits, however, that the meeting "only partially satisfied the expectations." The reform process is beginning—but:

"The basic atmosphere and tension at the congress was, however, created at the competition for the leadership position in the league at the end of the congress. An old fashioned clannish atmosphere dominated the congress which was supposed to reflect a totally new political culture. That was quite detrimental because that undermined the credibility of future reforms."

"There is reason to fear that the conflict which severely split the congress participants will split the democratic people's movement into even smaller parts than it is now. That would be a downright opposite direction of development to the broad leftist union which is the objective. In order to eliminate that danger, everything that can possibly be done should be done."

According to the KANSAN UUTISET, the situation requires moderation and wisdom from the new leadership "because it must be able to see and admit that those who want a different leadership are not necessarily more reactionary or more stupid than those who won the election."

The Social Democrats Create Good Conditions for SKDL

The Center Party paper IIKKA seems to think that the SKDL now has reason for optimism:

"The explanation of the SKDL's first period of grandeur after the war was that the SDP [Social Democrats] attached itself firmly to unattainable foreign policy positions. The SDP has now, along with the political right, tied itself to the current social policy."

"Although the SDP is definitely the leading partner in this cooperation, it is still unnatural and against the grain of thousands of Social Democrats. Kakela can definitely cash in on that."

"The coming 3-year period will show whether the FKP has the patience to let its assistant organization try a new role for real. This time, the decision can be made in Finland."

0953

GREECE

Poll Results on PASOK, ND Popularity, Economy, Lack of Trust

35210104 Athens ETHNOS in Greek 16, 17, 18 May 88

[Article includes introduction and report by Dim. Kalandzis, and a commentary, "The Choice," by Errikos Bartzinopoulos]

[16 May 88 pp 12-26—Introduction by Dim. Kalandzis]

[Excerpts] One in five voters has not yet decided for which party he will vote in the next election. They say they are undecided but it is this group that decides the final result of an electoral battle.

In the latest poll (March-April) conducted for ETHNOS by ICAP, the two big parties appear to be running neck and neck. More specifically, ND is shown to be ahead of PASOK by 1 percentage point (29 percent versus 28 percent) but the 21 percent of undecided voters to a large extent answered questions in such a way that shows that they would, at the last moment, lean toward PASOK.

ETHNOS entrusted the poll to ICAP—the well-known political and social poll-taking firm. The poll was conducted on an all-Greece level. A total of 3,000 men and women voters were questioned and the most strict scientific conditions were respected, from the drawing up of the questions, the random sample, and the collection and processing of data. the poll resulted in the following conclusions:

1. What the Greek man and woman votes for today. The strength of each party and the percentage of undecided voters.
2. The political preferences and "shifts" in political parties.
3. What issues affect and to what extent they influence the final decision of voters.

Besides the stigma of our country's "political map," the current poll "colors" the portrait of politicians as seen by the voters themselves.

Its conclusions provoke a veritable shock. For the first time perhaps the following are described in a most knowledgeable manner:

1. What are the current values in Greek society and how much they have declined.

2. How strong are institutions and in which is there trust or distrust.

The general conclusion is that Greek society has been dragged into the vortex of an intense crisis of uncertainty whose consequences will not be late in coming.

Neutrality and complete indifference—in many cases—on issues such as education create justified inconsistency with the increased trust shown by voters for teachers who bear the main burden in this field. This is something that shows a strong desire for an improvement and stability of institutions.

In the first part of the presentation of poll results beginning today, besides the answer to the main question "what do people vote for today," the inside workings of political parties and particularly the two "big" ones are revealed through a responsible recording and processing of ICAP statistics.

To be described in the articles will be the "profile" of the undecided voters as well as the voter who has abandoned the party for which he voted in the previous election, has shifted to another or has remained "homeless" politically-speaking.

The breakdown of the sample into groups according to age, sex, education and financial situation or geographic origin provides interesting and revealing data about the influence of each party on these categories in various regions of the country.

How the Poll Was Conducted

The poll was conducted on 8-19 April by 63 men and women pollsters and associates of the ICAP-GALLUP Company that undertook the poll on an all-Greece level for ETHNOS.

The poll covered 44 localities throughout Greece (cities, towns and villages including the islands).

The sample was representative and a total of 3,000 individuals over 19 years of age were questioned. The persons questioned were proportionally broken down by sex, age, geographic region and size of city to conform to the real population according to the 1981 census.

It is characteristic that 426 interviews were held in 11 various spots—rural communities with a population of 1,500 inhabitants.

The geographic breakdown of the sample is shown in Table 1.

With regard to sex and age, 1,449 men and 1,551 women were included in the sample. Table 2 shows the breakdown and percentages by sex and age, something that is exactly the same as the percentages of the breakdown of the real population.

(It should be pointed out that the articles being published have been written by ICAP professional writers and conclusions are reached from an analysis of the data of the firm).

Winners and Losers

Everything is still being played with regard to the Greek voters' intentions in the next election. This is what, in essence, 3,000 men and women over 19 years of age and above who had been selected at random throughout Greece answered when they were asked, "If we had elections today for which party would you vote?"

As shown in Table 3, the difference between PASOK and ND is presently minimal with a small 1 percentage favoring ND.

We must, nevertheless, observe—even though the amounts are not altogether comparable—that in relation to what the persons questioned had voted for in 1985, the two big parties appear in our poll to have much less percentages of votes than then. From 40 percent, PASOK appears with only 28 percent, while ND shows only 29 percent compared to 36 percent in 1985.

This is due primarily to the fact that 21 percent of the voters, i.e. one in five, says that he still has not decided for which party he would vote. The final decision of these voters will be a determining one.

The percentages of the other parties remain about the same.

Let us now analytically see what Table 3 says about the various parties. We must point out here that right next to what the voters' present intentions are we present what they said they voted for in the 1985 elections. It is worth noting here that these statements differ very little from the real results of the previous election. We must also point out that if we subtract the blank ballots on the first line, those who refused to answer and also those who did not vote we will, in essence, find the net results of the previous election: PASOK 46 percent, ND 40 percent, KKE 9 percent, etc.

Shifts in Parties

So, as we were saying, ND with 29 percent and PASOK with 28 percent are fighting for first place and no one can say which of the two big parties will be able to independently win the next election and come out number one.

PASOK with 28 percent appears to have taken 1 percent of the KKE votes and is taking 14 percent of those who did not vote in 1985.

ND with 29 percent appears to have taken 2 percent of PASOK's voters, 2 percent of the KKE (Int.)'s, 29 percent of EPEN's [National Political Union] and 16 percent of those who did not vote in 1985.

Table 1

1.	2.	3.	4.
Γεωγραφικά Διαμερίσματα	Αριθμός συνεντεύξεων	Ποσοστό %	Σημείο δείγματος
5. Στερεά & Εύβοια	1,272	42.4	
6. Πελοπόννησος	312	10.4	
7. Νησιά Ιονίου	87	1.9	2
8. Ηπειρος	89	3.3	5
9. Θεσσαλία	213	7.1	4
10. Μακεδονία	864	21.8	8
11. Θράκη	189	3.5	3
12. Νησιά Αιγαίου	132	4.4	4
13. Κρήτη	158	5.2	5
14. Σύνολο	3,000	100.0	44

Key:

1. Geographic division. 2. Number interviewed. 3. Percentage. 4. Sample points. 5. Mainland Greece and Evvoia. 6. Peloponnisos. 7. Ionian Islands. 8. Ipeiros. 9. Thessalia. 10. Makedonia. 11. Thraki. 12. Aegean Islands. 13. Crete. 14. Total.

Table 2

1.	2.	3.
Φύλο - Ηλικία	Συνεντεύξεις	Ποσοστό
4. Άντρες:		
19 - 24	189	6.3
25 - 34	288	9.6
35 - 44	255	8.5
45 - 54	282	9.4
55 - 64	189	6.3
65 και άνω	248	8.2
5. Σύνολο	1,449	48.3
6. Γυναίκες:		
19 - 24	177	5.9
25 - 34	285	9.5
35 - 44	273	9.1
45 - 54	300	10.0
55 - 64	210	7.0
65 και άνω	308	10.2
8. Σύνολο	1,551	51.7
9. Γενικά σύνολο	3,000	100.0

Key:

1. Sex-Age. 2. Interviews. 3. Percentages. 4. Men. 5. 65 years of age and above. 6. Total. 7. Women. 8. 65 years of age and above. 9. Total. 10. General total

The KKE appears to have 9 percent of the voters' preferences, i.e. it seems to be holding on to its former strength and perhaps to be increasing it slightly.

This party has taken 2 percent of PASOK's voters, 1 percent of ND's, 6 percent of KKE (Int.)'s and 8 percent of those who did not vote in 1985.

The two branches into which the KKE (Int.) has split appear to have additionally more voters than this party had in 1985 (1.8 percent). Thus the Baniyas faction (KKE (Int.-AA [Renewed Left])) appears with 1 percent and the Kyrkos faction (EAR [Greek Left]) with 2 percent.

The KKE (Int.-AA) gets 18 percent of the KKE (Int.)'s former voters and nothing more.

EAR appears to have obtained 1 percent of PASOK's voters, 1 percent of ND's, 1 percent of KKE's, 46 percent of the KKE (Int.)'s and 2 percent of those who did not vote in 1985.

DIANA [Democratic Renewal] that first appeared as an independent party, obtains 1 percent securing 2 percent of ND's voters, 5 percent of those who had voted for some other small party and 1 percent of those who did not vote in 1985.

Table 3

ΠΟΙΟ ΚΟΜΜΑ ΘΑ ΨΗΦΙΖΑΝ ΣΗΜΕΡΑ ΚΑΙ ΤΙ ΨΗΦΙΖΑΝ ΣΤΙΣ ΕΚΛΟΓΕΣ ΤΟΥ '85										
	3.	4.	5.	6.	7.	8.	9.	10.	11.	
	ΠΑΣΟΚ	Ν. ΔΗΜ.	ΚΚΕ	ΚΚΕ ΕΣ	ΕΠΕΝ	ΑΛΛΟ	ΛΕΥΚΟ	ΑΡΝΗΣΗ	ΔΕΝ ΨΗΦΙΖΑΝ	
	40%	38%	8%	2%	*	1%	2%	3%	8%	
12. ΠΑΣΟΚ	28%	66	1	—	—	—	—	—	—	14
13. ΝΕΑ ΔΗΜΟΚΡΑΤΙΑ	29%	2	76	—	2	20	—	—	—	18
14. ΚΚΕ	9%	2	1	88	8	—	—	—	—	8
15. ΚΚΕ ΕΣΤ Α-Α (ΒΑΝΙΑΣ)	1%	—	—	—	18	—	—	—	—	—
16. ΕΑΡ (ΚΥΡΚΟΣ)	2%	1	1	1	48	—	—	—	—	2
17. ΔΙΑΝΑ	1%	—	2	—	—	—	6	—	—	1
18. ΕΠΕΝ	1%	—	1	—	—	71	—	—	—	—
19. ΑΛΛΟ ΚΟΜΜΑ	1%	—	—	1	—	—	68	—	—	—
20. ΛΕΥΚΟ	5%	3	4	2	8	—	6	62	7	11
21. ΔΕΝ ΑΠΟΦΑΣΙΖΑ	21%	24	15	7	18	—	21	32	31	36
22. ΑΡΝΗΣΗ	2%	—	—	—	—	—	—	1	60	4
23. ΔΕΝ ΘΑ ΨΗΦΙΖΑ	1%	1	1	—	4	—	11	4	2	8
24. ΣΥΝΟΛΟ	100%	100	100	100	100	100	100	100	100	100
25.	* = ΛΙΓΟΤΕΡΟ ΑΠΟ 1%									

Key:

1. For what party they would vote today and for what party they voted in 1985. 2. Party they voted for in the previous election. 3. PASOK. 4. ND. 5. KKE. 6. KKE (Int.). 7. EPEN. 8. Other. 9. Blank ballot. 10. Refused to answer. 11. Did not vote. 12. PASOK. 13. ND. 14. KKE. 15. KKE (Int.-AA) (Banias). 16. EAR (Kyrkos). 17. DIANA. 18. EPEN. 19. Other party. 20. Blank ballot. 21. I have not decided. 22. Refusal to answer. 23. I would not vote. 24. Total. 25. Less than 1 percent.

An example so that the table might be understood:

PASOK obtains 28 percent of the 3,000 voters who took part in the poll. A 66 percent of these--in the adjacent column--are those who had voted for PASOK again. The 1 percent in the third column comes from those who had voted for the KKE. Finally, the 14 percent appearing in the last column represents those who had not voted in the previous election and who will now vote for PASOK.

EPEN with 1 percent seems to be where it was in 1985 getting 1 percent of ND's voters and holding on to 71 percent of EPEN's old voters.

The other parties too obtained 1 percent and they can hope that they would get 1 percent of the KKE's old voters and 58 percent of those who had voted for other parties in 1985.

Those intending to cast blank ballots come to 5 percent and more specifically 3 percent of PASOK's old voters, 4 percent of ND's, 2 percent of the KKE's, 6 percent of the KKE (Int.)'s, 5 percent other parties', 62 percent of those who had previously also cast blank ballots and 11 percent of those who did not vote.

The Third Force

As we have said, the number of undecided voters comes to 21 percent. Included in this number are 24 percent of PASOK's old voters, 15 percent ND's, 7 percent of KKE's, 18 percent of KKE (Int.)'s, 21 percent other parties', 32 percent of those who cast blank ballots and 36 percent of those who did not vote in the previous election.

Not voting will be 1 percent--either because they are not older, either because they live far from voting places or else for political reasons.

In this category are the 1 percent of PASOK's old voters, 1 percent of ND's, 4 percent of the KKE (Int.)'s, 11 percent of other parties, 4 percent of those who cast blank ballots and 6 percent of those who did not vote.

As is natural, there are stirrings going on inside all of these parties. Specifically, as follows:

1. As shown in column 2 of Table 3, PASOK's old voters seem to have a lot of problems. Thus, just 66 percent, i.e. two in three, say that they intend to vote for PASOK again.

One in three PASOK voters has shifted to another party or says that he is now undecided. A 2 percent of these voters state that they have gone over to ND, another 2 percent to the KKE and 1 percent to EAR. In other words, 5 percent of PASOK's 1985 voters tells us that they have gone over to other parties.

On the other hand, 24 percent of PASOK's old voters say that they have not yet decided for which party they would vote. In no other party is this percentage of undecided voters so high.

Also, 1 percent say that they would not vote.

2. As shown in column 3 of Table 3, ND's old voters also have their own problems; however, not as great as PASOK's voters.

First of all, 75 percent, i.e. three in five, say that they will once again vote for their party.

Secondly, ND's loss of members to PASOK is insignificant. On the other hand, however, here too 5 percent of old voters say that they are moving to other parties: 1 percent to the KKE, 1 percent to EAR, 2 percent to DIANA and 1 percent to EPEN.

ND's undecided voters come to 15 percent (about one in seven), in other words there are a lot but still less than PASOK's. A 1 percent say that they will not vote.

3. KKE's old voters—as shown in column 4 of Table 3—remain by 88 percent (about 9 in 10) steadfast to their party line.

There are, nevertheless, small losses here too: 1 percent of the KKE's old voters have moved to PASOK, 1 percent to EAR and 1 percent want to vote for another party. Essentially, no one has gone over to ND despite the fact that the opposite movement appears, as we have said.

A 7 percent have a problem on what they will vote for, i.e. about 1 in 14.

4. The KKE (Int.)'s old voters—as shown in column 5 of Table 3—seem to have the most problems of all. A 46 percent go with Kyrkos and 18 percent with Bantias.

However, there are also losses to other parties: 2 percent to ND and 6 percent to the KKE. A 6 percent say they will cast blank ballots, 18 percent say they are undecided and 4 percent say they will not vote.

5. In EPEN, things are simpler: 29 percent are moving over to ND and 71 percent remain in and with the party.

6. Those who voted for another party also have many questions. A 58 percent seem to remain with their old choices, 5 percent prefer to cast blank ballots, 21 percent have not decided and 11 percent will not vote.

7. Those who cast blank ballots remain with their former decision by a margin of 62 percent but 32 percent are having problems with that, while 4 percent will not vote.

8. About 8 percent (228 persons) of our sample did not vote in the previous election either because they were too young, because they were too old, because they lived far from voting places or because they did not want to.

About 66 percent of those are 19-24 years of age, i.e. a large segment of whom may be new voters.

The intentions expressed by this 8 percent are that they will vote for the following: PASOK 14 percent, ND 16 percent, KKE 8 percent, EAR 2 percent and DIANA 1 percent. An 11 percent say they will cast blank ballots, 36 percent say they are undecided, 4 percent refused to answer us and 6 percent said that they will not vote.

Voters by Category

Let us now look at voters in-depth by category to see their party preferences:

1. On the basis of sex, men are about equally distributed between PASOK (29 percent) and ND (28 percent). Among women, however, ND comes out ahead with 31 percent compared to 26 percent for PASOK. The KKE also has fewer women supporters (8 percent) than men (11 percent). More women say they are undecided (23 percent) than men (17 percent).

2. On the basis of age, ND clearly comes out ahead among those in the 19-24 age bracket, getting 24 percent versus 18 percent for PASOK. In the 25-44 age group, PASOK clearly comes out ahead with a 5 percentage point difference. In the 45-64 age group, the two big parties obtain exactly the same percentage. Also, in the ages 65 and above, ND comes out ahead with 40 percent versus 25 percent for PASOK.

A curve with a steady decline, according to age, is shown by KKE voters as well as those of the other two communists parties.

There are more undecided voters among the young (27 percent) than among the old (16 percent).

3. On the basis of monthly family income, ND wins over the poorest (38 percent versus 28 percent) and the richest (32 percent versus 26 percent). PASOK wins over those with average incomes.

4. On the basis of profession or vocation of those questioned, PASOK comes out ahead to a large extent among farmers (37 percent versus 30 percent), liberal professionals and workers. ND comes out ahead among businessmen and merchants and non-employed persons. It has a very slight predominance among office workers.

5. On the basis of geographic region in which those questioned vote: PASOK predominates over ND in the First and Second Electoral Districts of Piraeus, the Aegean Islands and Crete. ND predominates over PASOK in Athens, mainland Greece and Evvoia, Ionian Islands, Thessalia, Salonica, Makedonia and Thraki. In Peloponnisos, they are equal. Of course, none of the two gets a complete majority.

As we said at the outset, the most important factor for the final determination of the tendencies of the electorate is the direction those who claim to be undecided will take.

This percentage covered 21 percent of the electorate when we conducted the poll. Who are those who say they are undecided and "in what God do they believe?"

First of all, 47 percent (almost half) are old PASOK voters; 26 percent (one in four) are old ND voters; 3 percent old KKE voters; and another 1 percent from other parties. Also, 4 percent had cast blank ballots in 1985, 5 percent refused to answer our questions and 13 percent said they had not voted.

In other words, almost three in four undecided voters belong to the old voters category of the two big parties.

In What Do They Believe?

What do these undecided voters believe in? On the basis of special cross-checks we made, the following ensues:

1. The majority of undecided voters who in 1985 voted for PASOK do not trust the promise for change (22 percent for and 56 percent against). They also do not trust the ministers (38 percent for and 42 percent against).

On the other hand, however, a majority do trust the government (49 percent for and 40 percent against), the president of the republic (53 percent for and 30 percent against), the prime minister (56 percent for and 31 percent against) and PASOK (45 percent for and 31 percent against).

The same category of individuals is fanatically opposed to and does not trust the leader of the major government opposition party (8 percent for Mr Mitsotakis and 74 percent against) and the same for ND itself (7 percent for and 68 percent against).

Also, a majority does not trust the KKE (19 percent for and 56 percent against).

2. The undecided voters who in 1985 had voted for ND do not believe the promise for change (9 percent for and 61 percent against). Also, they do not believe the government (14 percent for and 58 percent against), the president of the republic (35 percent for and 41 percent against), the prime minister (9 percent for and 60 percent against), the ministers (17 percent for and 52 percent against) and PASOK (12 percent for and 55 percent against).

The same category of individuals does not trust the leader of the major government opposition party (with 20 percent for and 49 percent against) nor ND itself (with 25 percent for and 36 percent against) and with 39 percent abstentions.

Moreover, this category does not trust the KKE, with 9 percent for and 55 percent against.

Suspicion Toward Political Parties

The Greek people do not trust any political party either completely or even with a relative majority. The same holds true for France, according to answers given there in a similar poll. The only exception is that there the Socialist Party does have the absolute majority.

The percentage of those questioned and who refused to answer our questions begins with 17 percent and reaches 24 percent, that is rather large.

1. More specifically, only 36 percent of the voters trust PASOK, 48 percent do not and 17 percent did not answer. Nevertheless, it obtained a relatively larger percentage of trust than any other Greek political party. The two rightist government parties in France obtained 35 percent and 48 percent and with 17 percent refusals, while the socialists obtained 50 percent and 35 percent with 15 percent refusals.

Men are somewhat more favorable to PASOK than women. Those in younger age brackets maintain a rather more negative position (55 percent) compared to those in the middle age brackets (41 percent). Trust in PASOK falls in proportion to education—from 40-41 percent among those with less education to 25-50 percent among those who are university graduates. Trust also drops in proportion to income.

Farmers appear to have more trust in PASOK (44 percent for and 43 percent against), while liberal professionals are very much more negative (24 percent for and

62 percent against), as well as merchants and office workers. Inhabitants of small communities are more for PASOK than those in larger ones.

Present PASOK voters are for their party with a percentage of 89 percent for and 5 percent against. Voters of all other parties are negative with 78 percent of ND's, 80 percent of EAR's and 73 percent of the KKE (Int.)'s.

ND is trusted by 26 percent and not trusted by 55 percent.

2. ND is trusted by 26 percent and not trusted by 55 percent, while 19 percent did not answer our question. Men are more negative than women. ND's picture improves according to greater age brackets, ranging from 21-59 percent among young voters and 36-44 percent among those over 65 years of age. This same improvement in trust appears with the increase of the educational level and of income. Very much opposed to ND are all classes especially the liberal professionals (68 percent) and workers (58 percent).

ND followers support their party with 74 percent for and 11 percent against. The voters of all other parties are very much negative toward ND, even EPEN (24 percent for and 47 percent against).

3. The KKE is trusted by 19 percent, is not trusted by 60 percent and 21 percent did not answer our question. In France, the corresponding percentages were 14 percent, 72 percent and 14 percent.

Particularly opposed to the KKE are those Greeks 65 years of age and over (13 percent for and 64 percent against) and those who have income of over 80,000 drachmas. As education rises opposition to the KKE also grows. However, also negative vis-a-vis the KKE are farmers (17 percent for and 64 percent against) and workers (28 percent for and 53 percent against).

4. DIANA is trusted by just 8 percent, while 69 percent do not trust it. Small deviations, not worthy of note, are noted in all categories. DIANA voters support their party with 62 percent for, 8 percent against and 31 percent abstentions.

5. EAR (Kyrkos) is trusted by 14 percent while 64 percent do not trust it and 22 percent do not answer.

Those with higher education (20 percent for), liberal professionals (30 percent for) show some slight feelings for this party.

Is present voters trust it by a margin of 86 percent for and 10 percent against.

6. The KKE (Int.-AA) (Baniyas) is trusted by 8 percent while 69 percent do not trust it and 22 percent refused to answer.

On an average basis, no special deviations appear. Today's party voters trust it by a margin of 81 percent for and 6 percent against.

As for the remaining small parties, no special deviations appear. There was a 23-24 abstention rate.

7. EDA [United Democratic Left] is trusted by 8 percent while 70 percent do not.

8. EDIK [Democratic Center Union] is trusted by 7 percent while 70 percent do not.

9. The Christian Democrats are trusted by 6 percent while 71 percent do not.

10. KODISO [Democratic Socialism Party] is trusted by 6 percent while 71 percent do not.

11. Those cooperating with the Left (Arsenis, Drettakis, Panagoulis, Filias, etc.) are trusted by 13 percent while 63 percent do not.

This latter category appears to be much more liked by all the small parties except for EAR (Kyrkos).

Views on PASOK's Change in Policy

About 6 in 10 people believe that for some reason or another PASOK has changed its policy. Somewhat more than 2 in 10 do not believe that PASOK has changed policy or believe that PASOK is constantly improving its policy. Somewhat less than 2 in 10 did not answer our question.

Reasons that made PASOK change policy: tactical reasons 14 percent and reasons of failure 24 percent; it made a turn to the Right in order to stay in power 19 percent; other reasons 2 percent (it never did have a concrete policy 1 percent; it does not have worthy associates because of outside pressures, etc. overall 1 percent); general total 59 percent.

PASOK did not change policy at all 9 percent; PASOK is constantly improving its policy 14 percent; general total 23 percent.

An 18 percent did not answer our question—10 percent men and 25 percent women.

More specifically, we come up with the following:

1. Men place somewhat more emphasis on the "rightist shift so as to remain in power" (23 percent) while less women accept that notion (15 percent).

2. Younger age groups accept tactical reasons more (24-25 percent), while older age groups accept reasons of failure (28 percent). The younger age groups also do not agree that PASOK is improving its policy (8 percent).

Table 4

How People Vote by Region

Παριοχή	1.	2. ΠΑΣΟΚ	3. ΝΔ	4. ΚΚΕ
5. Α + Β ΑΘΗΝΑΣ	22%	23%	12%	
6. Α + Β ΠΕΙΡΑΙΑΣ	28%	24%	12%	
7. ΥΠΟΔ. ΣΤΕΡΕΑΣ + ΕΥΒΟΙΑ	26%	28%	10%	
8. ΠΕΛΟΠΟΝΝΗΣΟΣ	32%	32%	8%	
9. Ν. ΙΟΝΙΟΥ	21%	27%	11%	
10. ΗΠΕΙΡΟΣ	27%	34%	10%	
11. ΘΕΣΣΑΛΙΑ	21%	26%	13%	
12. Α + Β ΘΕΣ/ΚΚΕ	27%	28%	7%	
13. ΥΠΟΔ. ΜΑΚΕΔΟΝΙΑΣ	28%	40%	7%	
14. ΘΡΑΚΗ	23%	37%	4%	
15. Ν. ΑΙΓΑΙΟΥ	41%	27%	8%	
16. ΚΡΗΤΗ	42%	18%	8%	
17. ΣΥΝΟΛΟ	28%	28%	8%	
18. *	Το υπόλοιπο ποσοστό μοιράζεται τα άλλα κόμματα και οι ανεπιβεβαιωμένοι.			

Key:

1. Region.
2. PASOK.
3. ND.
4. KKE.
5. 1st & 2nd Electoral Districts of Athens.
6. 1st & 2nd Electoral Districts of Piraeus.
7. Remainder of mainland Greece & Evvoia.
8. Peloponnisos.
9. Ionian Islands.
10. Ipeiros.
11. Thessalia.
12. 1st & 2nd Electoral Districts of Salonica.
13. Remainder of Makedonia.
14. Thraki.
15. Aegean Islands.
16. Crete.
17. Total.
18. The other parties and undecided voters share the remaining percentages.

Table 5

What Party Do You Continue to Trust
and What Party Don't You Trust

	1.	Εμπιστευόμενος	Δεν Εμπιστευόμενος	Δεν Απάντη
		%	%	%
4. Το ΠΑΣΟΚ		35	48	17
5. Τη Νέα Δημοκρατία		28	56	18
6. Το ΚΚΕ		19	60	21
7. Τη ΔΗΑΝΑ		8	69	22
8. Την ΕΑΡ (Κύρκος)		14	64	22
9. Το ΚΚ Α Α (Μιρανίος)		8	69	23
10. Την ΕΔΑ		7	70	23
11. Την ΕΔΗΚ		8	71	23
12. Τη Χριστιανική Δημοκρατία		8	71	24
13. Το ΚΟΔΗΣΟ		6	71	24
14. Τους Συνεργαζόμενους με την Αριστερά (Αρσένης, Δρεττάκης, Παναγούλης, Φίλιος, κτλ.)		13	63	24

Key:

1. Trust.
2. Do not trust.
3. I don't answer.
4. PASOK.
5. ND.
6. KKE.
7. DIANA.
8. EAR (Kyrkos).
9. KKE (Int.-AA) (Banias).
10. EDA.
11. EDIK.
12. Christian Democrats.
13. KODISO.
14. Those cooperating with the Left (Arsenis, Drettakis, Panagoulis, Filios, etc.).

3. Those with no education and those who have completed elementary school accept, to a lesser extent, that it has made a rightist shift to stay in power (10 percent). Educated persons, however, accept this more (32 percent) and another 1 percent believe that PASOK changed policy because of outside pressures and yet another 1 percent that PASOK was always a rightist bourgeois party.

4. Residents of small localities, as well as farmers, believe to a large extent that it changed policy due to reasons of failure (32 percent). Liberal professionals believe (30 percent) that it turned to the Right to stay in power. At 27 percent of office workers also believe this.

5. Today's PASOK voters believe that the change occurred because of tactical reasons (26 percent), but 42 percent also believe that it is constantly improving its policy. ND's voters believe (53 percent) that the change occurred because of reasons of failure. KKE voters (58 percent) believe that it made a rightist shift to remain in power. The same holds true for EAR voters (45 percent) and the KKE (Int.-AA) (81 percent).

[17 May 88 pp 11-15—Commentary by Errikos Bartzinopoulos: "The Choice"]

If our political leaders were not so enamored of big words and if they were not so much in a hurry to reassure themselves every now and then that they have in their

Table 6

Has PASOK changed policy?
To What Extent and Why?

Ποσοστό	1.
14%	Το ΠΑΣΟΚ άλλαξε πολιτική για λόγους τακτικής 2.
24%	Το ΠΑΣΟΚ άλλαξε πολιτική λόγω αποτυχίας 3.
19%	Το ΠΑΣΟΚ έκανε στροφή προς το δεξιό για να διατηρηθεί στην εξουσία 4.
9%	Το ΠΑΣΟΚ δεν άλλαξε καθόλου πολιτική 5.
14%	Το ΠΑΣΟΚ βελτιώνει συνεχώς την πολιτική του 6.
2%	Άλλοι λόγοι 7.
18%	Χωρίς απάντηση 8.
100%	Σύνολο 9.

Key:

1. Percentage.
2. PASOK changed policy for tactical reasons.
3. PASOK changed policy because of failure.
4. PASOK has made a shift to the Right to stay in power.
5. PASOK has not changed policy at all.
6. PASOK is continually improving its policy.
7. Other reasons.
8. No answer
9. Total

pockets percentages that they could only dream about in their sleep, they would have already stopped and studied carefully the poll that ETHNOS published yesterday. They would certainly have derived valuable conclusions and they would have realized that somehow they were not following the proper course.

The number one party in the voters' preference is not the ND that obtained 29 percent on an all-Greece level nor PASOK that followed with 28 percent. The number one party is made up of disappointed individuals, the undecided, those refusing to support with their vote any of the presently existing parties. Overall they make up 29 percent of the electorate. About one-third of the voters refuse at this time to join any of the political parties.

I know that those who are mesmerized thinking that they already have 50 percent in their pockets will grimace when they see that their pompous proclamations do not correspond to official calculations and will render bad service to their party and to political life in general if they do not carefully study the findings of the poll. It is

an easy thing for them to see that 8 percent of the voters refuse to participate in political life, while 21 percent do not know toward which party to turn. And there is not one party at this moment that can boast having the trust of the voters. PASOK gets 35 percent, ND 26 percent and the KKE 19 percent.

The conclusion is easy for anyone not content with the assurances of the leadership of the party he supports. We live in an era of distrust of political parties by the people. More and more voters are joining that category of people who are having a problem concerning their hopes being dashed and who are disturbed about the inability of political parties to find solutions to their problems but are merely content in following everything that is going on around them as neutral observers. Of course, most will in the long run vote for one party or another. And, of course, they will be the ones who will determine what government will assume the country's fate for the next 4 years. They will do so only because they believe that by casting their vote they are selecting the best. They will merely select the one which in their opinion is the least bad

Lack of Trust Noted

Today, the Greek people have limited trust in people and institutions. This is the evident conclusion from the valid scientific poll conducted by ICAP for ETHNOS. This conclusion will become clearer in the coming days when the remaining statistics will be published. In today's edition we publish the percentage of trust or lack of trust of the Greek people vis-a-vis the following: change, the government, president of the republic, prime minister, government ministers, leader of the major government opposition party, deputies, mayors, politicians, parties, newspapers, television, radio and public broadcasting.

[Article by Dim. Kalandzis]

ND may appear to be very slightly ahead of PASOK in percentage points but its leader, K. Mitsotakis, falls far behind in the esteem shown him by voters.

Thus, Mr Papandreou is getting his "revenge," according to the answers given by voters in the scientific ICAP poll.

Prime Minister Andreas Papandreou is trusted by 37 percent of the voters, that is about 4 in 10 Greeks but 47 percent do not trust him, while 15 percent of those questioned refused to answer.

On the other hand, the percentage of confidence in the leader of the major government opposition party is the lowest in the entire political leadership and political world.

The percentage of voters who do not have confidence in him is 6 in 10.

Answers to the question if there is confidence in the promise for change clearly show that the well-known political slogans no longer ring true. This also vividly shows in the high level of undecided voters.

More specifically, of those who voted for PASOK and ND in the previous election and have not decided how they will vote if we had elections now, the following is revealed.

Just 22 percent of PASOK backers believe the promise for change, while some 9 percent of ND backers also believe this promise.

Those who do not believe in this promise, both from PASOK and ND, are about equal, namely 56 percent PASOK and 61 percent ND.

Within the more general climate of lack of trust but also disapproval that shows in the high percentage of those who answered negatively (without taking into account those who did not answer) it is certainly a surprise that mayors get almost an overall majority of trust with the highest percentage, namely 49 percent.

In the 45-64 age bracket, in fact, the heads of local self-administrations have the trust of 52 percent of the voters, while only 27 percent do not trust them.

In the Athens region, trust in mayors goes up to 54 percent, while the difference in Piraeus is even more noticeable where 76 percent of the voters show trust and just 16 percent do not.

The government has the trust of 34 percent but not of 50 percent. Ministers, on the other hand, have the trust of a smaller number, namely 32 percent.

Political parties get just 28 percent and politicians 25 percent.

One in three voters has confidence in deputies but 44 percent do not. A point worthy of mention—ICAP also made it—is that ND and KKE members as well as those who had voted for the KKE (Int.) do not have confidence in deputies by a margin of 48 percent for and 62 percent against.

As far as news media are concerned, the conclusion relative to the voters' trust in state radio and television is revealing. Thus, about one in two do not trust television and only 38 percent do. Trust in radio surpasses 50 percent with public broadcasting just behind with 46 percent.

Preferences "play" a big role in this area in accordance with political origins, financial situation and also age.

Public broadcasting is not trusted by ND members to a large extent (50 percent) while PASOK members' trust is the same as the average of the KKE and KKE (Int.) members' trust that drops to 39 percent and 34 percent respectively. On the other hand, PASOK members say that they trust radio by a margin of 60 percent and television by a margin of 54 percent.

Government and Promises in Question

Greek voters have little trust in politicians and their promises. In 10 relative questions that we asked, only 2 categories received a majority; mayors with 49 percent for and 32 percent against and the president of the republic with 43 percent for and 39 percent against.

In all the other questions (promise for change, government, prime minister, ministers, political parties, etc.) those questioned do not appear to have trust. Indeed, the one who garners the least of all is the leader of the major government opposition party who is trusted by just 23 percent while he is not trusted by 60 percent!

Also, there are three things that do not have the trust of the absolute majority of voters: the promise for change with 55 percent against, the government with 50 percent against and politicians with 51 percent against.

In all questions asked there was a large percentage of people who did not answer (15-24 percent). Everywhere there was a difference in views between men and women particularly because more women did not answer the questions. More specifically, we find the following:

1. With regard to the promise for change, just 26 percent believe it and 55 percent do not. Not believing it mainly are young people in the 19-34 age bracket (63-67 percent), those who live alone (66 percent), those who have higher education (69 percent), those who have high incomes (66 percent), liberal professionals (65 percent), merchants (62 percent) and office workers (63 percent), one in three who voted for PASOK in 1985 and about three in four of other parties, voters from Athens and Piraeus (60 percent), the Ionian Islands (64 percent), Ipeiros (70 percent) and Makedonia (62 percent).

Very naturally, 69 percent of those who now intend to vote for PASOK believe in the promise for change. The peculiar thing, however, is that 17 percent of these people—almost one in six—do not believe it.

The most trustful partisans of the promise for change—without, of course, having a majority in this category—are those in the 35-44 age bracket (33 percent). Also believing it somewhat more are those without education (32 percent), farmers (35 percent), inhabitants of small communities (32-34 percent), voters in Peloponnisos (33 percent), the Aegean Islands (46 percent) and Crete (39 percent).

2. With regard to the government, 34 percent trust it while 50 percent do not. To a large extent not trusting it are those who also do not believe in the promise for change. Trusting it, nevertheless, are 67 percent of those who voted for PASOK. Only 21 percent of those voters do not trust it and 12 percent did not answer the question.

Of those who said they will now vote for PASOK, 84 percent trust it while not trusting it are ND voters (79 percent) and the leftist parties (KKE 77 percent and EAR 76 percent).

3. With regard to the president of the republic, as we said before, the majority of the Greek people trust him. The pros reach 43 percent, just 4 percentage points more than the cons that are 39 percent. Among young people, however, the percentage of those who do not trust the president goes up to 47 percent, among those with higher education 62 percent and liberal professionals 53 percent.

With regard to party members, the president has the trust of 69 percent of those who voted for PASOK and 80 percent of those who will not vote. He has just 19-30 percent in other parties.

4. With regard to the prime minister, 37 percent of the voters trust him but 47 percent do not. It must, at any rate, be pointed out that his relative opposition is much better than that of the leader of the major government opposition party.

Generally-speaking, here too the voters have about the same preferences or objections as they did with regard to the first question (i.e. "Do you believe the promise for change?") with a greater deviation for the prime minister.

Three in four old PASOK voters approve of him but the extreme Left almost aligns itself with ND in negative votes.

5. With regard to government ministers, voters trust them somewhat less than they do the prime minister or the government. Voters who trust them go up to 32 percent while those who do not amount to 47 percent.

Worthy of note is that while the prime minister has the trust of 75 percent of old PASOK voters ministers have just 62 percent.

6. With regard to the leader of the major government opposition party, just 23 percent of the voters trust him while 60 percent do not. More negative are men (64 percent), young people in the 19-34 age group (63-75 percent), people with higher education (69 percent), with high incomes (63 percent), liberal professionals (67 percent), office workers (68 percent), inhabitants of Athens (67 percent), inhabitants of Ipeiros (73 percent) and inhabitants of Crete (69 percent).

The ND leader has the trust of just 49 percent of old ND voters, while 31 percent of these voters do not trust him. Also trusting him are 60 percent of present ND voters, while 23 percent of these voters do not trust him.

The ND leader is not liked by any members of other parties. He is not trusted by 82 percent of PASOK members and 88 percent of KKE and EAR voters.

Feelings Toward Deputies, Mayors, Politicians

The scenario with regard to questions now changes radically. While the first six questions dealt with the direct political position of each voter and his answers expressed more or less the interests of the party he likes, he now had to answer questions taking into account that his own party has deputies, mayors, etc.

We thus have a new series of conclusions with a general characteristic being abstention on a large scale (20-24 percent).

1. With regard to deputies, 33 percent of the voters trust them while 44 percent do not. Nevertheless, almost one in four (23 percent) do not answer the question.

It is of interest to note that trust in deputies goes up with age. Thus, while 49 percent of those in the 19-24 age group do not trust them and only 24 percent trust him, voters over 65 years of age do not trust them by a margin of 38 percent for and 36 percent against.

The lower the educational level the more the deputies are trusted (those with no education or with elementary school education 39 percent pro and 39 percent con). The higher the educational level the more negative they become (those with higher education 25 percent pro and 51 percent con).

The same holds true for incomes. The poorer the voter the more trustful he is of deputies (38 percent pro and 37 percent con). The richer they are the less they are satisfied with deputies (33 percent for and 44 percent against).

Farmers see deputies in a better light than the average (38 percent for and 43 against) and workers (38 percent for and 45 percent against). The ones who criticize them most of all are office workers (23 percent for and 52 percent against). Great complaints with deputies appear in Ipeiros (56 percent against) and Makedonia (55 percent against).

From a party standpoint, the only ones who are somewhat more satisfied with deputies are PASOK followers. A 43 percent who voted for PASOK trust them and 37 percent do not. Young PASOK voters are 51 percent for and 30 percent against.

On the other hand, the members of all other parties are opposed to deputies and do not trust them: ND 27 percent for and 48 percent against; KKE 20 percent for and 57 percent against; and KKE (Int.) 12 percent for and 62 percent against.

2. With regard to mayors, almost a complete majority of people trust them (49 percent for and 32 percent against).

With small differences, approving of them are all age groups, particularly the middle age groups—35-64 age group (52 percent for and 30 percent against). The same holds true for people with different educational levels and different incomes.

It seems that the three ND mayors of the three big cities are approved of by a particularly large percentage of people. In Athens, 54 percent for and 27 percent against; in Piraeus, 76 percent for and 16 percent against; and in Salonica, 50 percent for and 29 percent against.

Old PASOK voters trust mayors generally by a margin of 57 percent for and 26 percent against, while present PASOK voters 60 percent for and 21 percent against. Less supportive of mayors are ND voters (43 percent for and 35 percent against) and the communist parties voters (45 percent for and 35 percent against).

3. With regard to politicians, just 25 percent of the voters trust them while 51 percent do not.

Trust in politicians increases with age—from 17 percent for and 58 percent against in the younger age groups this figure goes up to 28 percent for and 45 percent against in the over 65 age group. On the other hand, trust in politicians decreases with the rise in the educational level—from 31 percent for and 43 percent against among those with less education to 18 percent for and 61 percent against among those who are university graduates. The same holds true for income levels—from 32 percent for and 40 percent against among the poor to 25 percent for and 54 percent against among the richer.

The smallest lack of trust in politicians is seen among PASOK voters, old PASOK voters 34 percent for and 43 percent against, while present ND voters 41 percent for and 35 percent against. Among the communist parties' followers about 20 percent are for and 55 percent against.

4. With regard to political parties, just 28 percent of the voters trust them while 48 percent do not.

Their position is little better than that of politicians. Approval and disapproval tendencies are about the same as shown by voters for politicians.

Worthy of note is the hostility toward political parties by two social categories: liberal professionals that trust them by a margin of 15 percent for and 61 percent against and office workers that trust them by a margin of 26 percent for and 52 percent against.

Method Used in Polling; Accuracy of Poll

With regard to the method used in the polling, the poll's accuracy and possible deviations in conducting the poll, ICAP makes note of the following:

Every poll that is conducted with questions and not a ballot box has increased numbers of refusals, undecided voters and abstentions to questions having connection with what those questions voted for in the past or what they would vote for if we had elections today.

Every poll includes the following question: "For which party did you vote in the previous election?" This is so to find any possible differences from the actual result and, at the same time, to make checks and controls on the sample.

In the past, it has happened that the authenticity of a poll was questioned because the percentages of each party did not correspond to reality, without taking into account the statistical error inherent in all polls.

The error is calculated with a special statistical form and is based on the size of the sample and to the percentage of each answer.

If 50 percent of 3,000 persons gave some reply or other it means that it could be between 48.2 percent to 51.8 percent, in other words ± 1.8 percent, while an answer with 50 percent of 524 persons questioned has ± 4.4 percent error.

As for authenticity of the poll, in the tables that appear with these articles we compare answers given with the actual results of the previous election, as well as the statistical error.

[Article by D. Kalandzis; Views on Party Leaders, President of the Republic]

How do voters view the two most important persons on the political scene, namely Prime Minister A. Papandreu and ND leader Kon. Mitsotakis, as well as President Khr. Sartzetakis.

We will try to provide an answer to this question using the poll data about voter preferences and dislikes.

1. With regard to Mr Sartzetakis, 43 percent of the overall sample said that they trust him. The following categories expressed their trust:

a. Men with 44 percent while women less so with 43 percent.

b. Those in the 33-44 age bracket with 49 percent followed by the 25-34 and 45-54 age brackets with 47 percent. Young people, that is those in the 19-24 age bracket, trust him by just a 32 percent margin (i.e. one in three), while those 65 years of age and over trust him by a margin of 37 percent, 6 percent below the average.

c. Married couples show trust by a margin of 45 percent while widows and widowers 49 percent, unmarried persons said "yes" by a margin of 38 percent while divorced persons showed 31 percent.

d. Those with elementary school education and those without education showed the greatest trust (47 percent) while those with higher or advanced school degrees trust him by a margin of 35 percent.

e. Those with average monthly incomes of 50,000-80,000 drachmas trust him more (47 percent).

f. Farmers trust him to a very large extent (46 percent).

g. In Salonica, "the trust indicator" goes up to 49 percent while the same holds true for towns with population of 1,000-5,000.

h. A trust "record" shows up in Crete and the Aegean Island where 6 in 10 voters trust the president.

i. Those undecided trust him by a margin of 45 percent while those who say they will vote for PASOK by a 80 percent margin, ND with 19 percent, the KKE 29 percent, the KKE (Int.-AA) 25 percent, EAR 35 percent and DIANA 46 percent.

2. With regard to Prime Minister A. Papandreu, the "trust test" shows 37 percent.

a. Here too men trust him more than women (38 percent versus 36 percent).

b. Those in the 35-44 age groups trust him the most with a 44 percent margin followed by those in the 25-34 and 45-54 age groups with 40 percent. Young people in the 19-24 age group have the least trust in him (28 percent).

c. Married couples trust him by a margin of 39 percent, widowers 40 percent, bachelors 33 percent and divorced people only 27 percent.

d. Farmers and those with an elementary education or those who have no education show the greatest trust with 45 percent and 42 percent respectively. Workers follow with 41 percent, those not working with 38 percent and office workers with 33 percent. The most "distrustful," with 26 percent, are the liberal professionals.

e. In towns and villages with a population of up to 1,000, trust in the prime minister goes up to 48 percent while in Athens and Piraeus the percentage is about average (37 and 36 percent respectively). Those living in Crete and the Aegean Islands trust the prime minister by a margin of 55 percent followed by those living in the Peloponnisos with 42 percent.

f. According to what they voted for in the previous election, PASOK's voters trust the prime minister by a margin of 75 percent (three in four) while there is a 6 percent of ND voters who trust him and also a 14 percent of KKE voters.

Even among those who say they will vote for ND in the next election there is a 5 percent who trust Mr Papandreu while in the KKE the percentage of trust remains stable at 14 percent. Those undecided trust him by a margin of 38 percent, something that is 1 percentage point above the average.

g. Worthy of note with regard to the undecided voters is a cross-check to this question that was made on the basis of those voting for PASOK or ND in the previous election and now appear not have decided for whom they will vote. A 56 percent PASOK undecided voters say they trust Mr Papandreu and 9 percent of ND undecided voters say they do not.

A 31 percent and 60 percent correspondingly say they do not trust him while not answering are 13 percent of PASOK followers who are now "in a waiting period" and 31 percent of ND followers who appear undecided.

h. On the basis of the region where voters cast their votes, the Aegean Island voters show the greatest trust followed by Crete with 52 percent, Thraki with 47 percent and Peloponnisos with 43 percent.

3. With regard to Mr Kon. Mitsotakis, ND leader, the "trust test" shows an average 23 percent trusting him and 60 percent not trusting.

a. Women trust him more than men (23 percent women and 22 percent men).

b. Those 65 years of age and over trust him more than any other age group (32 percent). Trusting him the least are those in the 25-34 age group (17 percent) while 75 percent do not trust him.

c. Once again married couples and widowers show the greatest trust compared with bachelors and divorced persons.

Limited Trust in Media

People do not have much trust in the news media. They particularly do not trust newspapers and television. Things are somewhat better with regard to radio broadcasting.

A similar poll conducted in France showed citizens trusting the mass news media much more than we do.

More specifically, we report the following:

1. Only 35 percent trust newspapers while 45 percent do not. (In France, the corresponding percentages were 41 and 47 percent respectively).

Significant deviations from the general norm are apparent among men (49 percent against), young people (19-34 age group) where the "con" rating goes up to 49 percent, those with higher education (51 percent), the liberal professionals (23 percent for and 53 percent against), businessmen, merchants and office workers (50 percent against). Only farmers come out equal (40 percent for and 40 percent against) and inhabitants of communities with up to 1,000 residents who trust them (41 percent for and 38 percent against).

On the basis of what PASOK voters only would vote for today, 43 percent trust newspapers as opposed to 38 percent who do not. All others fluctuate around the average or are much more hostile—especially as the party is smaller in size. It is of interest that those who did not vote in the previous election strongly criticize the press (25 percent in favor and 57 percent against).

2. Slightly more people trust television than newspapers, namely 38 percent in favor and 49 percent against. (In France, the corresponding percentages were 46 percent in favor and 44 percent against).

Men (56 percent) are much more critical than women (43 percent). Also, the degree of criticism of television diminishes with age, from 30 percent for and 58 percent against among young people to 39 percent for and 44 percent against among older people. Much more critical are those who live alone. Those in favor of television are those without education and those who attended elementary school (46 percent in favor and 38 percent against). Criticism, however, becomes strong from those who attended high school and those who have had advanced education. Television is approved of by those with small incomes (42 percent in favor and 40 percent against). However, as income rises so does criticism increase. Also, farmers find television equally good and bad (40 percent). All other categories of workers are very critical.

Television is liked in small towns having up to 5,000 inhabitants, but not in those with greater populations. Television is particularly not trusted in big cities—Athens 35 percent in favor and 55 percent against; Salonica 24 percent in favor and 56 percent against.

Present PASOK voters are very well satisfied with television—60 percent trust it and only 28 percent do not. Just the opposite with regard to ND voters: 25 percent trust it and 63 percent do not. Voters from other parties follow ND's percentages or express stronger negative feelings.

3. Radio broadcasting seems to be the only mass news media that a majority of people approve of with 51 percent in favor and 36 percent against. (In France, the corresponding percentages were 55 percent and 34 percent).

Men are less negative than women. Objecting are only those citizens with higher education (39 percent in favor and 48 percent against), with high incomes (41 percent in favor and 45 percent against). Farmers and workers are very much pro (58 percent for and 54 percent against). Other vocations, however, take a negative view to a great extent.

Inhabitants of small communities trust radio very much, even those of Athens perhaps because there are many stations in the area.

PASOK voters are 70 percent in favor and 19 percent against. ND voters, on the other hand, criticize it by a margin of 40 percent in favor and 46 percent against. Voters of other parties criticize it as much as ND voters do or even a little more.

Table 1

ΑΛΛΑΓΗ ΚΑΙ ΠΟΛΙΤΙΚΟΙ				
	1.	2.	3.	4.
		ΕΜΠΙ- ΣΤΕΥΟΜΑΙ	ΔΕΝ ΕΜΠΙ- ΣΤΕΥΟΜΑΙ	ΔΕΝ ΑΠΑΝΤΩ
		%	%	%
5.	Την υπόσχεση για Αλλαγή	26	55	18
6.	Την κυβέρνηση	34	50	16
7.	Τον Πρόεδρο της Δημοκρατίας	43	39	17
8.	Τον Πρωθυπουργό	37	47	15
9.	Τους υπουργούς	32	47	21
10.	Τον αρχηγό της αξιωματικής αντιπολίτευσης	23	60	18

Key:

- | | |
|---------------------------|---|
| 1. Change and politicians | 6. The government |
| 2. I trust | 7. The president of the republic |
| 3. I do not trust | 8. The prime minister |
| 4. I do not answer | 9. The ministers |
| 5. The promise for change | 10. The leader of the major government opposition party |

Table 2

ΚΟΜΜΑΤΑ ΚΑΙ ΔΗΜΑΡΧΟΙ				
	1.	2.	3.	4.
		ΕΜΠΙ- ΣΤΕΥΟΜΑΙ	ΔΕΝ ΕΜΠΙ- ΣΤΕΥΟΜΑΙ	ΔΕΝ ΑΠΑΝΤΩ
		%	%	%
5.	Τους βουλευτές	33	44	23
6.	Τους δημάρχους	49	32	20
7.	Τους πολιτικούς	25	51	24
8.	Τα πολιτικά κόμματα	28	48	24

Key:

- | | |
|-----------------------|----------------------|
| 1. Parties and mayors | 5. Deputies |
| 2. I trust | 6. Mayors |
| 3. I do not trust | 7. Politicians |
| 4. I do not answer | 8. Political parties |

4. Public radio broadcasting is approved by a relative majority of the Greek people by a margin of 46 percent for and 24 percent against and with 30 percent abstentions. We should point out here that public radio broadcasting is essentially a phenomenon that is known only to inhabitants of three big cities, namely Athens, Piraeus and Salonica.

For that reason we will limit ourselves to reactions of inhabitants from those areas only.

1. Inhabitants of the Athens and Piraeus areas seem to be quite satisfied with their public radio stations by a margin of 58 percent for and 26 percent against. The inhabitants of Salonica, however, do not seem satisfied because 41 percent trust their station while 42 percent do not.

2. Voters (i.e. the inhabitants who vote in these areas plus those from other areas who come to vote there)

Table 3

ΤΑ ΑΝΑΛΥΤΙΚΑ ΠΟΣΟΣΤΑ ΚΑΤΑ ΠΕΡΙΟΧΗ

1.	ΠΑΣΟΚ 2.	Ν. ΔΗΜ. 3.	ΚΚΕ 4.	ΚΚΕ Α-Α 5.	ΕΑΡ 6.	ΔΙΑΝΑ 7.	ΕΠΕΝ 8.	ΑΛΛΟ 9.	ΛΕΥΚΟ 10.	ΔΕΝ ΑΠΟ- ΦΑΣΙΖΑ 11.	ΑΡΝΗΣΗ 12.	ΔΕΝ ΘΑ ΨΗΦΙΖΑ 13.
14. Α+Β ΑΘΗΝΑ	22%	23%	12%	1%	3%	1%	•	1%	8%	24%	2%	2%
15. Α+Β ΠΕΙΡΑΙΑ	29%	24%	12%	—	1%	1%	—	2%	7%	20%	5%	—
16. ΥΠΟΛ. ΣΤΕΡ+ΕΥΒΟΙΑ	25%	28%	10%	1%	1%	2%	1%	2%	7%	24%	2%	1%
17. ΠΕΛΟΠΟΝΝΗΣΟΣ	32%	32%	6%	1%	2%	1%	1%	•	4%	16%	4%	1%
18. Ν. ΙΟΝΙΟΥ	21%	27%	11%	1%	1%	3%	3%	3%	4%	17%	5%	4%
19. ΗΠΕΙΡΟΣ	27%	34%	16%	—	—	—	2%	—	4%	14%	2%	2%
20. ΘΕΣΣΑΛΙΑ	21%	25%	13%	1%	2%	•	•	—	7%	28%	—	2%
21. Α+Β ΘΕΣΣΑΛΟΝΙΚΗ	27%	29%	7%	1%	2%	—	1%	—	6%	22%	2%	2%
22. ΥΠΟΛ. ΜΑΚΕΔΟΝΙΑ	29%	40%	7%	•	1%	•	•	•	3%	16%	2%	1%
23. ΘΡΑΚΗ	23%	37%	4%	—	2%	—	2%	3%	4%	21%	2%	1%
24. Ν. ΑΙΓΑΙΟΥ	41%	27%	6%	1%	1%	—	—	—	3%	17%	2%	2%
25. ΚΡΗΤΗ	42%	19%	6%	—	3%	—	—	1%	5%	19%	1%	3%
26. ΣΥΝΟΛΟ ΧΩΡΑΣ	28%	29%	9%	1%	2%	1%	1%	1%	5%	21%	2%	1%
27. Οπου (*) λιγότερο από 1%.												

Key:

1. Detailed percentages by region
2. PASOK
3. ND
4. KKE
5. KKE (AA)
6. EAP
7. DIANA
8. EPEN
9. Other
10. Blank ballot
11. Note decided
12. Refused to answer
13. Would not vote

14. First & Second Electoral Districts of Athens
15. First & Second Electoral Districts of Piraeus
16. Rest of mainland Greece and Evvoia
17. Peloponnisos
18. Ionian Islands
19. Ipeiros
20. Thessalia
21. First & Second Electoral Districts of Salonica
22. Rest of Makedonia
23. Thraki
24. Aegean Islands
25. Crete
26. Total for country
27. * means less than 1 percent

show the following: Athens 58 percent for and 26 percent against; Piraeus 63 percent for and 24 percent against; and Salonica only 35 percent for and 42 percent against.

[18 May 88 p 14-16—Report by D. Kalandzis]

To what extent will the economy influence the next election? The answer to this question is given today by the scientific poll conducted by ICAP for ETHNOS on an all-Greece level with the participation of 3,000 Greek voters. Together with these answers will be an assessment of the following: economic situation of the country, the financial situation of households and the morals of political personalities.

Will the withdrawal of the bases influence their vote more and what voters believe will happen in 1992 is described in today's continuing presentation of their degree of trust in the following: public enterprises, public utility firms, private enterprises, trade union organizations, the drachma, multinational firms, banks and insurance companies.

The course of the economy will to a large extent determine the outcome of the electoral battle. A majority of voters—according to the answers in the sample—are shown to be "gauging" the evolution of the country's economic situation.

Table 4

		ΠΑΣΟΚ	ΔΗΜ.	ΚΚΕ	ΚΚΕ-ΕΣ	ΕΠΕΝ	ΑΔΙΠΑ	ΑΡΗ.
		1.	2.	3.	4.	5.	6.	7.
8.	Σύνολο χώρας 2703 άτομα • 8.							
		%	%	%	%	%	%	%
9.	Δημοσκόπηση	44,6	39,6	9,4	1,8	0,5	0,7	3,3
10.	Πραγματικό	45,8	40,8	9,9	1,8	0,6	1,0	
11.	Απόκλιση δημοσκόπησης	-1,2	-1,2	-0,5	0	-0,1	-0,3	
12.	Περιθώριο απόκλισης	±1,9	±1,9	±1,1	±0,5	±0,3	±0,3	
13.	A + B Αθήνα 524 άτομα 13.							
14.	Δημοσκόπηση	42,4	36,3	13,4	4,0	2,7	0,6	3,1
15.	Πραγματικό	42,9	38,4	13,6	3,9	0,5	0,7	
16.	Απόκλιση δημοσκόπησης	-0,5	-2,1	-0,2	+0,1	+2,2	-0,1	
17.	Περιθώριο απόκλισης	±4,3	±4,2	±2,9	±1,7	±1,4	±0,7	
18.	• 2703 έγκυρα: Χωρίς τους ψηφοφόρους που δεν ψήφισαν ή ψήφισαν λευκό. Οι αρνήσεις παρέμειναν γιατί ήταν έγκυρα ψηφοδέλτια στις εκλογές							

- Key: 1. PASOK
2. ND
3. KKE
4. KKE (Int.)
5. EPEN
6. Rest
7. Refuse to answer
8. Total country 2,703 persons
9. Poll
10. Actual
11. Poll deviation
12. Margin of deviation
13. First & Second Electoral Districts of Athens 524 persons
14. Poll
15. Actual
16. Poll deviation
17. Margin of deviation
18. 2,703 valid: without those voters who did not vote or those who cast blank ballots. Refusals were counted because they were valid ballots in the elections.

Table 5

ΜΕΣΑ ΕΝΗΜΕΡΩΣΗΣ			
1.	2. ΕΜΠΙΣΤΕΥΟΜΑΙ	3. ΔΕΝ ΕΜΠΙΣΤΕΥΟΜΑΙ	4. ΔΕΝ ΑΠΑΝΤΩ
	%	%	%
5. Τις εφημερίδες	35	44	20
6. Την τηλεόραση	38	49	13
7. Το ραδιόφωνο	51	36	14
8. Γη δημοτική ραδιοφωνία	46	24	30

- Key: 1. News media
2. I trust
3. I do not trust
4. I do not answer
5. Newspapers
6. Television
7. Radio broadcasts
8. Public radio broadcasting

It also seems that the voters equally consider their wallets to a great extent.

Thus, over 4 in 10 give priority to the country's economic situation. Five in 20 prefer the financial situation of their own household.

In third place after the economic items comes the morals of politicians.

A 14 percent of the sample said that they would vote on the basis of these factors.

Indicative of the indifference for pre-election meetings is that only 1 in 100 say that these things would influence their vote while 2 in 100 say that they are not influenced by anything.

With regard to the role of the economy we must look at the answers in another category of questions that relates to trust in public and private enterprises, the drachma, banks and insurance companies.

Credit institutions seem "unshakable" since more than 6 in 10 trust them and only 24 percent are "distrustful."

Between public and private enterprises the difference is evident without the unusual being absent.

Thus, while private enterprises get 51 percent of the trust of the voters, public enterprises get 42 percent and public utility firms (DEI [Public Power Corporation], OTE [Greek Telecommunications Organization], etc.) 43 percent.

At the same time, multinational firms (that are exclusively private) are not trusted at all since 26 percent trust them and 48 percent do not.

It seems that our national currency is "suffering" from a crisis of distrust.

The drachma is not trusted by the largest percentage of voters (56 percent) while only one in three considers it worthy of trust.

Let us leave the analysis to ICAP and let us look at the "inaccessible" things in the sample, what the undecided voters think of the economy.

Only 46 percent of the undecided trust private enterprises while the most distrustful are those who vote for the KKE (Int.-AA) (25 percent).

Very much below the average percentage of trust (26 percent) is the percentage the undecided give to multinationals (19 percent).

Nevertheless, 65 percent of the undecided trust banks (63 percent is the average) and they are the ones who feel the most for public enterprises (44 percent in favor and

37 percent against) with the exception being only PASOK voters who say they trust them by a margin of 58 percent while only 28 percent do not.

The undecided voters "calculate" the country's economic situation as the most important factor that will influence their vote in the next election by a margin of 46 percent (the average is 43 percent) and their wallets 26 percent (the average is 25 percent).

In other words, "the come close" to PASOK voters more who by a margin of 49 percent say they will be influenced by the economy.

The general conclusion derived from the psychology of the undecided voters and their reaction to the economic factor is that their preferences tally to a great extent with the preferences of PASOK voters.

Trust in Private, Other Enterprises Explored

The Greek people trust private enterprises more than public ones. They do not trust multinationals and the drachma much and insurance companies to a lesser extent. They have very great trust in banks and—some what less—in trade union organizations.

These are the general conclusions derived from answers we obtained from eight questions on the economy and its organizations. More specifically, we come up with the following:

1. Public enterprises are trusted by 42 percent while they are not trusted by 41 percent. In other words, we could say that people are divided on this issue. (In France, people are 56 percent in favor of them while 32 percent are not).

They are not trusted by young people in the 19-34 age group (48 percent against) but trust increases with age. The more educated a person is or the bigger his income the degree of trust drops. Farmers and less so workers have great trust in public enterprises, but other categories of working people do not.

Inhabitants of cities with a population of more than 5,000 and those of big cities do not trust them.

PASOK voters trust them very much (58 percent in favor and 28 percent against). However, followers of all other parties and especially the communist parties do not trust them. Also not trusting them are those who did not vote in the previous election (32 percent for and 50 percent against).

2. Public utility firms (DEI, OTE, etc.) are trusted by 43 percent of the Greek people while they are not trusted by 44 percent. Here too people are divided.

Men are somewhat more critical than women and younger people more than those older. Trust in these firms drops as income rises.

Farmers trust them very much (50 percent for and 37 percent against) while all voters of other parties and particularly the communist parties are very much negative.

3. Private firms are trusted by half of the Greek people (51 percent) while only one in three (32 percent) do not trust them. (In France, the corresponding figures are 59 percent for and 29 percent against).

Men trust them somewhat more than women. The same holds true for those in the 35-64 age group, persons who have gone to junior and senior high schools, those who have incomes of 80,000 drachmas and above, businessmen and merchants as well as office workers. Less enthusiasm is shown by farmers (44 percent for and 41 percent against), but not workers (51 percent for and 35 percent against).

PASOK voters follow the general average and ND voters are still more enthusiastic (61 percent for and 23 percent against). Just the opposite are the KKE voters (33 percent for and 60 percent against) and the KKE (Int.-AA).

4. Trade union organizations are also trusted but with smaller percentages (44 percent for and 34 percent against). (In France, things are altogether the opposite—29 percent trust them and 61 percent do not).

Men are somewhat more pro-union than women and young people (52 percent for and 31 percent against) more than those older (36 percent for and 35 percent against). Workers are for unions (51 percent for and 32 percent against) while businessmen and merchants are not against them (42 percent for and 42 percent against).

PASOK voters are pro-union (58 percent for and 24 percent against) as are the KKE voters (67 percent for and 21 percent against). On the other hand, ND voters are against them (34 percent for and 44 percent against) as well as those voters of the small communist parties and other parties with the exception of DIANA. Undecided voters and those who have not voted up to now also have a small degree of trust in them.

5. The drachma is not trusted by a surprisingly large number of voters. Just one in three support it (33 percent) while over half (56 percent) are afraid of it. (In France, the corresponding figures for the franc are 42 percent for and 41 percent against).

Men and women are equally critical, the young more than the old. More critical are those with higher education and incomes.

Supporters of the drachma are PASOK voters (50 percent for and 41 percent against), but members of all other parties are very critical.

6. Multinational firms are trusted by just 26 percent while 48 percent do not trust them and 27 percent abstain. (In France, the three corresponding figures are 36 percent, 38 percent and 26 percent).

Men are more critical than women and the young more than the old. Less critical are those with less education while very critical are the liberal professionals, workers and office employees.

Except for ND voters who are about equally divided (35 percent for and 36 percent against), members of all other parties do not trust them, especially the communist parties.

7. Banks are trusted most of all with 63 percent for and 24 percent against. (In France, the corresponding figures are 61 percent for and 30 percent against).

Men and women, people of every age group—except for the very old—trust them equally. The same holds true for all other categories.

PASOK voters are their greatest admirers (69 percent for and 20 percent against) followed by ND (67 percent for and 20 percent against). The communist parties' followers have just the opposite view.

8. Insurance companies are not trusted by a margin of 39 percent for and 42 percent against. (In France, the corresponding figures are 44 percent for and 46 percent against).

Men are altogether against while women are in favor. Also opposed are people in older age brackets and those with higher education. In favor are people with very small and rather large incomes, as well as farmers.

PASOK and ND voters are slightly in favor of insurance firms but those of other parties are very critical.

Influence of the Economy on Voting Patterns

There is not the slightest doubt that the economic situation, either of the household or the country's, will be a factor that will more than anything else influence the vote of the electorate in the next election.

Other issues, for example the bases, will have only marginal influence. Even issues such as education do not seem to have any influence on voters—at least as they themselves said.

Let us now look at these issues in more detail. A glance at Table 3 shows the following:

1. The household's financial situation will influence more than 25 percent of the voters.

2. The country's economic situation will influence 43 percent of the voters. The total of these two categories tells us that the economic situation will influence 68 percent of the voters, i.e. about 7 in 10.

In the two big parties, this percentage reaches 72-73 percent. In the communist parties it drops to 52 percent (KKE), 57 percent (KKE (Int.-AA)) and 43 percent (EAR). Among the undecided who make up about 21 percent of the electorate, the percentage goes up to 72 percent. Only among those who say they will vote for another party does it fall to 28 percent.

3. The morals of political personalities will influence only 14 percent of the voters. In the EAR, this figure goes up to 31 percent and in EPEN just 6 percent.

4. Pre-election meetings and gatherings and speeches will influence just 1 percent and, in fact, with regard to voters of certain parties, influence will be zero (KKE (Int.-AA), EAR, DIANA, etc).

5. The withdrawal of the bases will influence 5 percent of the voters; 4 percent of PASOK voters and 1 percent of ND voters. Only in the communist parties will the issue have some greater influence (21 percent in the KKE, 13 percent in the KKE (Int.-AA) and 10 percent in the EAR). Also, the figure goes up to 16 percent among followers of other parties.

6. The maintenance of the bases influences just 1 percent of the total voters. DIANA voters with 8 percent and EPEN voters with 6 percent express themselves rather in favor.

From now on, "the general condition of the country," "improvement of education," or "ideological party principles" do not affect voters.

A 21 percent of the voters candidly say that "nothing influences" them.

An 8 percent of those questioned did not answer the question and, in fact, this figure rose to 32 percent among those who did not vote in the previous election. On the basis of the various voter categories, no noteworthy differences with the general average appear:

1. Men and women almost agree on economic issues (67 percent and 70 percent). Younger age groups and older ones (62 percent) confront them a little more lightly than the middle age group (72 percent).

The morals of political personalities affects the young somewhat (19 percent). Nothing, however, is stirred up about the bases, education, etc.

2. The more educated voters are they are moved somewhat less about economic issues (62 percent) and somewhat more about the morals of politicians. Those with the highest incomes also are concerned about the morals issue. Farmers are very much interested in economic issues (75 percent).

3. Voters of all regions, with small deviations, pay great attention to the economy. The other issues follow the general norm without showing any surprises.

Optimistic About the Future

The Greek people seem to be rather optimistic about the economic situation that will shape up in 1992 when the EEC countries will have united into one unified market and we will have been fully incorporated in it.

A glance at Table 1 shows that 36 percent of the people feel that their economic situation will improve, 19 percent that it will remain the same but 19 percent feel that it will worsen. A 26 percent did not answer our question—20 percent men and 31 percent women.

Men are somewhat more optimistic than women. Least optimistic are the young 25 percent who feel that the situation will worsen.

As the educational level rises so does the rate of optimism. While 32 percent of those with less education feel that the situation will improve 18 percent feel that it will worsen. The corresponding figures for those with university degrees are 39 percent and 21 percent respectively. The same holds true for rises in income—from 35 percent feeling an improvement and 18 percent a worsening of the situation these figures become 47 percent and 17 percent respectively.

More satisfied seem to be the liberal professionals (41 percent feel an improvement and 20 percent a worsening in the situation). Workers (25 percent) and office workers (24 percent) appear to be among those who foresee a worsening of the situation.

Inhabitants of cities with a population of 1,000-20,000 seem to be more optimistic than others. The most optimistic of all are the inhabitants of Makedonia and Thraki (51 percent an improvement and 12 percent a worsening in the situation) and the Aegean Islands and Crete (45 percent and 25 percent respectively).

Also optimistic are PASOK's present voters (46 percent an improvement and 10 percent a worsening in the situation) and ND's (47 percent and 14 percent respectively). KKE voters are very negative (9 percent and 56 percent respectively) while the other communist parties are close to the general average.

Table 1

1.	ΤΙ ΘΑ ΦΕΡΕΙ ΤΟ '92
2.	ΕΡΩΤΗΣΗ: Θα καλύτερέψει ή θα χειροτερέψει η οικονομική σας κατάσταση το 1992 με την πλήρη ένταξη της Ελλάδας στην ΕΟΚ;
3.	ΠΟΣΟΣΤΟ
4.	ΘΑ ΚΑΛΥΤΕΡΕΨΕΙ 36%
5.	ΘΑ ΧΕΙΡΟΤΕΡΕΨΕΙ 19%
6.	Η ΙΔΙΑ 19%
7.	ΔΕΝ ΞΕΡΩ 26%
8.	ΣΥΝΟΛΟ 100%

Key:

1. What will 1992 bring?
2. Question: Will your financial situation improve or worsen in 1992 with Greece's completely joining the EEC? 3. Percentage. 4. It will improve. 5. It will worsen. 6. The same. 7. I don't know. 8. Total

Table 2

	1. ΕΜΠΙ- ΣΤΕΥΟΜΑΙ	2. ΔΕΝ ΕΜΠΙ- ΣΤΕΥΟΜΑΙ	3. ΔΕΝ ΑΠΑΝΤΩ
4. Τις Δημόσιες επιχειρήσεις	42%	41%	17%
5. Τους Δημόσιους Οργανισμούς (ΔΕΗ - ΟΤΕ - κλπ.)	43%	44%	13%
6. Τις Ιδιωτικές επιχειρήσεις	51%	32%	17%
7. Τις Συνδικαλιστικές Οργανώσεις	44%	34%	21%
8. Τη Δραχμή	33%	56%	11%
9. Τις Πολυεθνικές	26%	48%	27%
10. Τις Τράπεζες	63%	24%	13%
11. Τις ασφαλιστικές εταιρείες	39%	42%	20%

Key:

1. I trust them. 2. I don't trust them. 3. I don't answer.
4. Public enterprises. 5. Public utilities (DEI, OTE, etc.). 6. Private enterprises. 7. Trade union organizations. 8. The drachma.
9. Multinational companies. 10. Banks. 11. Insurance companies.

Table 3

1. ΟΙΚΟΝΟΜΙΑ - ΗΘΟΣ - ΠΟΡΤΟΦΟΛΙ		
	2.	ΠΟΣΟΣΤΟ
3.	Η ΟΙΚΟΝΟΜΙΚΗ ΚΑΤΑΣΤΑΣΗ ΤΗΣ ΧΩΡΑΣ	43%
4.	Η ΟΙΚΟΝΟΜΙΚΗ ΚΑΤΑΣΤΑΣΗ ΤΟΥ ΝΟΙΚΟΚΥΡΙΟΥ ΣΑΣ	25%
5.	ΤΟ ΗΘΟΣ ΤΩΝ ΠΟΛΙΤΙΚΩΝ ΠΡΟΣΩΠΩΝ	14%
6.	ΟΙ ΠΡΟΕΚΛΟΓΙΚΕΣ ΣΥΓΚΕΝΤΡΩΣΕΙΣ - ΟΜΙΛΙΕΣ	1%
7.	Η ΑΠΟΧΩΡΗΣΗ ΤΩΝ ΒΑΣΕΩΝ	5%
8.	Η ΠΑΡΑΜΟΝΗ ΤΩΝ ΒΑΣΕΩΝ	1%
9.	ΆΛΛΟΙ ΛΟΓΟΙ	*
10.	ΤΙΠΟΤΑ ΔΕΝ ΜΕ ΕΠΗΡΕΑΖΕΙ	2%
11.	ΧΩΡΙΣ ΑΠΑΝΤΗΣΗ	8%
12.	ΣΥΝΟΛΟ	100
13.	* Λιγότερο από 1%	

Key:

1. Economy, Morals, Wallets
2. Percentage
3. The country's economic situation
4. Your household's financial situation
5. The morals of political personalities
6. Pre-electoral meetings and speeches
7. The withdrawal of the bases
8. The maintenance of the bases
9. Other reasons
10. Nothing influences me
11. No answer
12. Total
13. * represents less than 1 percent

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ITALY

Craxi on Country's New Identity
35280143c Rome L'ESPRESSO in Italian
29 May 88 pp 14-17

[Interview with PSI Secretary Bettino Craxi by Antonio Gambino; date not given]

[Text] "For a very long time, Italy was poor, divided and provincial. And from those negative conditions was born its degree of subordinate status in, or absence from, international politics. However, along the way many things have changed. Thus, today, we no longer have a low profile. We have a visible role, and our voice is

certainly heard more." Perhaps because all the polls indicate that the next round of administrative elections will show a PSI still on the rise, the Craxi who faced me in his fourth-floor study in Via del Corso, to talk about our policy in the context of international policy, was a man who tended to emphasize the positive aspects in all sectors. To begin with, indeed, Italy's role in this panorama. In short, in his judgment our country is no longer the "Bulgaria of NATO": unheard in the West and ignored in the East. However, what are the reasons for this change, in the opinion of the PSI secretary? A regained consciousness of our national identity, or the emotional influence of certain incidental events, such as, for example, the Sigonella incident?

"I believe that it is a more complex process. The incidental events only revealed a tendency. The truth is that the country is no longer divided as it once was between

Eastern Empire and Western Empire as happened when Italy passed from an inebriation with nationalism that ended in tragedy to a kind of distraction or numbness of the national consciousness. It is true that for some time we have been witnessing a regaining of the national identity and a more correct evaluation of our role and our responsibilities.

"I have always regarded this as a necessary factor in moral strength, which fortifies and does not weaken our presence in the community to which we are linked by special bonds, and strengthens our international solidarity in relation to the good causes.

"It is unbelievable how this positive recovery has often been hindered, opposed and even derided by sectors of the intelligentsia and by representatives of the political class, though fortunately without success."

[Question] Taking into account that Italy is a medium-size power, what, realistically, can its role be in the international field?

[Answer] "Italy is not a military power. It was not one when it thought it was. It does not desire to become one. It can exert its influence in the political world, particularly in the context of its international alliances. Its influence and responsibility are growing in the regional contexts.

"In European and international politics, in the Mediterranean area primarily, it has, and can increasingly have, an incisive and effective role. The development of the processes of cooperation and economic interdependence, the strengthening of the trust and security of all, the search for a peaceful and negotiated solution of conflicts and tensions, political dialogue, an opening up, and cultural exchange all go hand in hand.

"Many roads are marked out. They are natural routes that must be followed with ever-greater conviction, more systematically, and with more organization."

[Question] In the first place, for reasons of geographic proximity and thus of security, but not only for these reasons, Italy is rightly concerned about the continuation and worsening of the Middle East crisis, and in particular the Israeli-Palestinian conflict. What are the directions of a solution to that problem, and what action can the Italian Government take to promote it?

[Answer] "I have repeatedly emphasized that Italy, by itself, certainly does not have the solution for such an intricate issue. Nor does Europe by itself have the solution, even though it is up to Europe to become involved to exert weight and influence, which, if it so wills, it will not fail to do.

"All this naturally does not mean that Italy cannot contribute suggestions, initiatives, pressures, and approaches to the conflicting parties with the purpose of

promoting a search and hope for peace. Indeed, this is what has been done from numerous quarters. The Italian Government is not standing by twiddling its thumbs, and naturally we are encouraging it to intensify its initiative. At this time, the prospects appear to me rather limited, and everything appears to have been pushed back out to sea. Even though everyone knows that it is necessary to get around to solving the 'Palestinian question' in a framework of guarantees and security for Israel.

"Peace plans have followed one another without success. There are many proposals on the table, but what is lacking is a genuine and courageous political will. I believe that it would be necessary to achieve a mutual recongition by the conflicting parties.

"An international conference could be the useful forum for direct negotiation under UN guarantee. It is necessary that people gain a clear idea of the possible future assets of a region where a Palestinian state and a Jordanian state could unite in confederation and together set the rules for a peaceful coexistence with Israel. A transitional and preparatory period could be assisted by cooperation and guarantee of Europe."

[Question] Do you maintain that the convening of an international conference could in itself represent a decisive step, or do you believe that such a conference can be valuable only if preceded by a declaration by the two parties that they are ready to recognize the reciprocal rights to national self-determination and security?

[Answer] "An international conference in the dark would be very dangerous. It would be important to first have the principle of an international conference affirmed and accepted, and then launch a phase of effective preparation. I agree: the substance for negotiation should derive from a framework of principles already recognized and shared.

"Unfortunately, we are talking about remote events. The present scenario is very disturbing. I hope that the United States and the USSR, which can naturally do so to a greater extent than us, will find the way to combine efforts to bring about a turning point in the current situation, which by its seriousness is only preparing worse tomorrow."

[Question] How do you explain the absence of any European initiative between 1980 and today, does it mean that the Venice declaration was not followed by any step capable of transforming words into reality?

[Answer] "The European Venice declaration concluded with a solemn commitment. The European Community, after having made the necessary contacts, was to 'give form' to an initiative of its own. Eight years have passed since then, and everything has been slowed down, impeded, and set aside. During the period when I was

Italian prime minister, it was quickly made impossible for me, through diplomacy and the cooperation of some governments, to obtain a mandate and to take initiatives."

[Question] To what extent is this lack of initiative the result of Western Europe's dependence on the United States in the military field? That is, is it not your view that it is impossible for Europe to have an independent foreign policy as long as it agrees to entrust its own defense to the government in Washington?

[Answer] "Political Europe could grow even in the presence of the military alliance with the United States. If political Europe does not grow it is because some governments do not want this, though for various reasons. In any case, in Europe there are too many governments dominated by the conservatives."

[Question] You say that Gorbachev's projects include review of the relationship between the USSR and the countries of East Europe? What can West Europe do to promote this possible process?

[Answer] There is no doubt of it: a different dimension of relationships between East and West in Europe is essential to the development of the new Soviet course. Moreover, new paths are already opening up. West Europe should encourage this process. New possibilities must be created, above all in the economic field.

"There is no alternative to dialogue and cooperation between East and West in Europe. Such political developments can only emerge through an intensified policy of exchanges and reciprocal openings, in the direction of liberalization, to which we naturally aspire."

[Question] What influence could the recent victory of Francois Mitterrand in the French presidential elections have on the European panorama, and above all Italy?

[Answer] "Mitterrand's reelection paves the way for new political balances in France. The French Socialist recovery could produce a beneficial contagious reaction also in other European countries."

"Perhaps an account has been opened that is contrary to the conservative domination in Europe."

[Question] Unlike almost all the Western countries, in which there is a broad "national consensus" on the major international issues that goes beyond party lines, in Italy foreign policy has often been the source of particularly violent clashes. How you explain this fact? Do you believe that strengthening the executive would be one way to overcome it?

[Answer] "The more a country is united on the major international policy choices, the more authoritative and influential it is."

"Today there are the conditions for a broad 'national consensus.' It is an objective that merits pursuing with patience and consistency. One should not make mistakes, which have been committed in abundance in recent years."

"More than a strengthening of the executive, what I think is necessary is an increasingly thorough clarification of the principles and fundamental lines along which Italy's international role should develop and strengthen."

[Question] As regards the Middle East in particular, the polemics between the Italian democratic parties are currently very harsh. Is there the danger that these differences of opinion could weaken the present majority and cause the fall of the government?

[Answer] "There are conflicts, but they are not such as to place in doubt the governing stability, partly because the decisions that matter in this field do not pass through Rome. As for the major lines of direction, there is a broad convergence of forces."

[Question] On the opposite side, is it possible to think that a convergence on the major themes of foreign policy could establish the preconditions for a rapprochement of the parties of the Italian left, and in particular of the PSI and PCI?

[Answer] "A rapprochement of positions is underway. And this is demonstrated by an episode of which few are aware, even though it was something that had not happened for many years: that is, our applause for Giorgio Napolitano, at the end of his speech to the House on the occasion of the recent parliamentary debate on the Middle East. If further clarifications make possible additional steps forward, a rapprochement will be created that I would regard as very positive and very important."

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NETHERLANDS

Kok on Labor Party Reports, Changes, Coalition Partners

36140023 Rotterdam NRC HANDELSBLAD in Dutch
16 Jun 88 p 9

[Article and interview with PVDA parliamentary caucus chairman Wim Kok, by J.M. Bik and Hubert Smeets: "The Left Is No Longer the Alternative, It Is Making a Contribution"]

[Text] The entryway to the party office on Nicolaas Witsenkade in the capital is already adapted to the new strategy. Once upon a time, the office was open to the outside world. Since uninvited guests (read: squatters), for the sake of their social issues, began to take this hospitality a little too much for granted, sliding electric

doors were installed. These are intended to physically prevent the visitor from uncontrolled access to the party leadership. The PVDA does not want to be a "service hatch" any more. Because "harmonious relations between the party and the new social movements"—the at one time so sorely-missed integration, which the PVDA under the leadership of chairman Max van den Berg began to assiduously seek—"will never come to be." The party wants there to be no more misunderstanding about this point.

Last week, the report "Moved Movement" was published—a title reminiscent of the famous exhibition set up by Yves Tinguely in the spring of 1961 at the Stedelijk Museum. But that is mere coincidence. The document in question here is the strategy report drawn up by a special commission under the chairmanship of Wim Kok. We went to Witsenkade—the party leader does not have an office of his own, and so had to borrow the spokesman's office—for an explanation of the long-awaited strategy paper that is supposed to help the PVDA free the opposition from its isolation in 1990 or as soon as possible. In order to achieve that goal, the PVDA must be willing to behave as it did before 1966, the year of political catharsis, in which the left-center Cals/Vondeling cabinet was brought down by a motion by KVP [Catholic People's Party] deputy Schmelzer.

Since those days of the New Left, the anti-KVP resolution and the announcement of political polarization as a means of combatting the religious-based parties, the Left has governed a total of only 5 years. With great regularity, it has been the victim in the strategic battle for power. The power bloc of religious parties has been able to govern uninterruptedly since 1966. Not only did the CDA come into being in the 1970s, it also became the country's biggest party. And the VVD clearly made the biggest gains from polarization, developing into the number three party.

The ceremonious end of an era: The battle is officially suspended after some 20 years. The PVDA now wants something new that is actually quite old in a country of minorities. It is asking itself and others for recognition as an "ordinary" coalition party that has no intention of pricing itself (or letting itself be priced) out of the market in advance. Thus, no more majority strategies, non-negotiable election platforms, points of contention, personal vetoes against politicians of other parties.

Personification

Caucus chairman Wim Kok is the personification of this as no other. "Moved Movement" represents the intellectual reflection of it. The presentation came during the week in which Prime Minister Lubbers and caucus chairman Voorhoeve clashed on "slander" and "political vandalism" by the VVD. And in which the coalition partners threatened to fight out a difference of

opinion on the reorganization of health insurance to the bitter end: The moment of publication was well-chosen. Is the opposition back in vogue?

[Kok] "In the mid-1980s, there was a certain expectation that the most burning issues would be resolved in a following stage. That was the atmosphere during the elections in May 1986; it was difficult, but things are moving now and we have room for a second term. Now it turns out that the job did not come off. Not only in the Netherlands. What happened with Kohl in Schleswig-Holstein and with Thatcher in the council elections were also illustrations of this. There is a climate in which social democrats are regaining some elbow room to make their contribution.

"Because in the countries where even the major parties are a minority, it is not a matter of taking over power, but rather a change of coalitions, which could result in a situation whereby social democracy can make a greater contribution to a new course. The Left is no longer the alternative to the Right. It is not simply Left or Right. No, the Left represents a large portion of the voters, and can thus make its own contribution to policy. Those are the circumstances today.

"The report contains the thoughts and action that I have encountered for some time in the PVDA; the open attitude with respect to the CDA and VVD is nothing new. We have wanted that since 1982. In 1986, the party congress said that in principle we were willing to hold discussions with both the CDA and VVD. There has thus been a relatively constant line for many years. For some time, we have linked a sense of reality to principles. At the time, nothing came of it, however. That had to do with the resolute position held by the coalition at the time and with the way in which the PVDA took up the gauntlet. If the CDA and VVD want to stick together *per se*, then that is legitimate. In that case, you can only denounce it. You can use the most drastic expletives for it. But it was in fact reality. Against that background, it was not illogical for us to say, certainly in view of the somewhat flattering opinion poll figures: If that's the way it is, then we have no choice other than to try, with might and main, to get a majority. But since the formation of the cabinet, it has become clear that cohesion there is not readily forthcoming. The coalition partners have loosened up in their relative positions. There is a certain relationship between what you yourself want and do and how you react to your surroundings. We are now emphatically offering ourselves as a coalition partner."

[NRC HANDELSBLAD] Why? At one time the PVDA used to say that it was better than the rest. However, you often emphasize in the Second Chamber that social relations must remain harmonious. Does a prolonged role as the opposition threaten to upset the balance in Dutch society? Is that your primary concern?

[Kok] "There is no politician, I don't care how hard you look, who does not think that his club is better than the other one. But I don't think it's necessary to incorporate that feeling into every sentence. We pursue a policy: A number of things must be different, must be better. It is a matter of justice in income proportions, the effectiveness of employment policy, the modernization of the infrastructure and education, so that we can take the offensive in being part of the Europe of the future. Lubbers' policy is becoming a repetition of simple moves. I envisage a society in which economic progress and social cohesion are optimally attuned to one another. I do not want to merely give a place to people who are contributing to the economy; I want to also take care of people who cannot adequately stand up for themselves. It is a matter of economic rejuvenation and social justice. Because ultimately social justice isn't worth a whole lot unless it is supported by dynamic economic development."

[NRC HANDELSBLAD] So why not all three parties together? That provides the highest degree of stability. The PVDA has now accommodated itself to the existing political landscape. To the existence of the CDA as well?

[Kok] "I don't find it terribly useful to debate the question of whether the CDA should exist. It is a fact—and it is very interesting to talk theoretically, but I like to base my arguments on facts—that the CDA is a major party. So you can continue to think that it is not right that a policy based on the Christian democratic principle should be allowed to exist. But it is coincidentally a fact that in this part of Europe, Christian democracy is a significant factor. If you look at what has to happen in the Netherlands, the first task of social democracy is thus not to brand its adversary as a heretic based on some principle. No, we must put forth solutions and recruit voters in order to be able to form a coalition with the CDA or VVD."

Very Simple

[NRC HANDELSBLAD] We are coming to the area of strategy. In the summer of 1981, informateur Lubbers solicited your help, as chairman of the FNV [Federation of Dutch Trade Unions], to persuade Den Uyl and the PVDA to join the second Van Agt cabinet. Could you imagine sitting in a cabinet with Lubbers, Ruding and other CDA figures before long?

[Kok] "I have a very simple answer to that. It is absolutely useless to speculate about persons. If parties can agree about a program, then they will have to be able to agree about persons."

[NRC HANDELSBLAD] Things have been different, such as in 1977, when your party challenged the candidacy of the Kruisinga and Andriessen, of the religious parties, for ministerial posts?

[Kok] "So much has been different. And other things will be different in the future. We don't want to just send in a cabinet member. We would like to be the biggest party. Because then we can take the initiative in the cabinet-formation discussions. I assume that the biggest party in principle provides the prime minister. Quite honestly, I do not at all understand what reasons CDA chairman Van Velzen has for his proposal to see Lubbers as prime minister again. The stronger we get, the more influence we have. Could I see that happening with a number of the current ministers? I don't know. Perhaps some of them are so tired now that they wouldn't go along with anyone, even in a Lubbers III cabinet. At any rate, you aren't getting any vetoes from me."

"But all the CDA and VVD people who, on the basis of this report, think they are rich now should know that if it is necessary to negotiate, then the other side must be taken into consideration as well. It won't do for them to simply say, 'Our policy is clear, if the PVDA wants to join in that's fine.' No way. It takes two to tango. You can't dictate a platform to the other party, nor do I want to have it dictated to me."

[NRC HANDELSBLAD] Doesn't the socio-liberal position of the VVD—common decency is the key to success—bother you?

[Kok] "I do not know how that liberal program will be dealt with further on. I must say that the possibility of a coalition without the CDA is a gratifying thought to many people. I assure you that that possibility is a real option, as far as I'm concerned. We did not make note of it as a convenient interim position."

[NRC HANDELSBLAD] You serve as a model for a new generation of social democratic leaders, rational social democrats instead of flamboyant reform spirits. More study by the lamp than demonstration at Malieveland, if you will. How can you personally play a role in such a coalition?

[Kok] "Simply by being myself."

[NRC HANDELSBLAD] That was once the slogan of the VVD: Just be yourself.

[Kok] "Oh no, I'll never hear the end of that. No really, the PVDA does not need me personally to be able to take part in a coalition in 1990. It is a matter of platforms. Ultimately, I am most interested in our own election platform. We must meet the voters out in the open, without promising them the world. If it is a question then of a coalition with the CDA or VVD, then it won't be up to me. I am mentally prepared to look at how a serious attempt can be made. Naturally, I am hoping to be there for it. I am available. All I have to say is, look out, I don't know how discussion in the other two parties is going to crystallize."

Extra Reason

[NRC HANDELSBLAD] To what extent has governing become extra important for the PVDA with respect to Europe 1992? Among Lubbers' friends are Craxi and Gonzalez, the socialist leaders in Italy and Spain. Do you already have a circle of friends in Europe with whom you can do more than have a cup of tea?

[Kok] "If you have power, then you're always interesting to Lubbers. In my opinion, it is not really just a matter of governing. But it is true: The big jump to Europe is an extra reason, aside from all the considerations of a domestic political nature. In 7 of the 12 EC countries, you have a strong to minor contribution being made by socialists. Things are already shifting. The federation of socialist parties is simply still too loose-knit, and has less structure than the European trade union movement, of which I was chairman from 1979 to 1983. We could learn a few things from the trade union movement. Programmatically, we will have to do everything possible to promote cooperation between the socialist parties.

"Europe is not only an interesting free-trade zone. More that must happen. We have to invest more time and energy there. I have not yet been given enough elbow room for that. But what I think is great about this developing circle of friends is that there is a need everywhere to talk not only about one's own experiences, but also about more practical forms of cooperation. It is a very big word. We still have a long way to go. But we must be willing to pursue the formation of European parties. I won't want to give some date for this. But there is perceptibly less of the noncommittal attitude. That too is necessary.

"Next year's European elections are the last ones before 1992. We must manage to form workable majorities in that parliament. Because there we are a significant political factor. In the European Parliament, we are the biggest. We would be passing up major opportunities if we were to simply keep whining about the threats of 1992.

"We have to work on this institutionally as well. The European Parliament must gain power and influence. Ultimately, it must be possible to send the European Commission home. However, all sorts of interim phases are conceivable here. For example, the election of the chairman of the Commission by the European Parliament and discussion and approval of its program."

[NRC HANDELSBLAD] To what extent must the new election platform come about in a different way than before? Tersely worded without being a sell-out? Will you do it yourself with a small group of confidants? Is there really much to discuss in the party after the introductory reports by the heaviest of the heavy-weights?

[Kok] "However it comes into being, we will never sell out. That is set in stone. There are two possible sequences. You can sit down together, delegate tasks to specialists and then, as the group bearing final responsibility, provide the proof for why you are not including certain things. Or, you can first set out the major themes and then ask specialists what else they would like to see included. But then the burden of proof is on them. In my opinion, the latter method offers a few more advantages."

[NRC HANDELSBLAD] What is your own role, what would you prefer?

[Kok] "I won't say anything about that right now."

Lauded

[NRC HANDELSBLAD] But if the party itself does not change, then it makes no sense. In your report, you place a great deal of emphasis on the internal party culture. It is currently ossified. The Middel Commission used sharp language in its report on the bureaucratic ambience only 6 months ago. It was not exactly lauded. On the contrary, the functionaries ganged up against it.

[Kok] "I hope that our report is not simply judged on the basis of the question 'who's doing it with whom.' The culture in the party must change as well. More people must be involved in the party, people who normally never pass over the immeasurably high threshold. Right now, you have to be a real meeting-drone with special predilections in order to really participate. While there is so much more where politics can be of benefit. We have in fact adopted a great deal from Middel. Thus, his report was lauded by our report."

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Flemish Liberals Organize Shadow Cabinet

36140021 Brussels KNACK in Dutch 1 Jun 88 pp 16-18

[Interview with Guy Verhofstadt, PVV shadow prime minister, by correspondent Jos Grobben: "Martens' Alter Ego"; date of interview not given; first four paragraphs are background]

[Text] The shadow cabinet's first evaluation memorandum concentrates primarily on the principles of government agreement. In it, five areas are examined closely. In opposing its implementation, shadow prime minister Guy Verhofstadt warns that the government will never attain its objectives because once again an appeal is being made to classic, artificial political plans (principally the so-called "gecos"). The shadow cabinet, on the other hand, continues to advocate total reform of the social welfare system (and therefore of the contributions), specific measures for the long-term unemployed, and a cutback in what is termed the "over-regulation of the labor market."

Verhofstadt's old budgetary doctrine also remains operative—aiming at a deficit of 6 percent of the gross national product in 1989, 5 percent in 1990, and finally just 4 percent in 1991. For that, supplementary spending cuts must be made each year—from 35 to 40 billion to be achieved in all departments but especially in social welfare and public enterprises and investments. The government would not be inclined to do that, according to the memorandum. Even after 1989 Martens VIII continues to aim at a deficit of 7 percent, thereby failing to break through the snowball effect of the deficits.

Other constituent areas to which the shadow cabinet is paying attention: social welfare, in which policy guidelines must be introduced for each separate sector (a selective reining-in clinical laboratories, introduction of an exemption or "franchise" for the insured, the implementing of all completed "audits," etc.), and public enterprises (further privatization, in short). On one level this first report goes further than the old principles of government agreement between the Christian Democrats and the Liberals: on the fiscal level. Thus, it proposes that the highest assessment base for income tax be reduced down to 40 percent after 4 years. The present five-party coalition is keeping it at 55 percent in this fiscal offering. Much too much says Verhofstadt, and the 40 percent is necessary, according to him, because in other European countries (Great Britain, France, etc.) the highest assessment bases are tending in that direction.

The Third Leg

From now on the shadow prime minister intends to produce a similarly detailed report each month in which not only will government policy be analyzed, but also the Liberal alternative will be explained. Moreover, his cabinet will put together specific dossiers (European integration, financing of provinces and communities, etc.). He wants, after all, to absolutely avoid having the PVV "conduct a banal opposition for the sake of opposition."

[Verhofstadt] The government is trying to apply the whip in parliament; the opposition is attempting to apply the brakes. That is the classic pattern. In the process, there is little room to demonstrate that there are alternatives to government policy. In addition, one party cannot do it by itself. In our case, therefore, we will be concerned in the future with normal political action, with positions, with European and municipal elections. What we are doing is adding a third leg to the classic structure.

[Grobben] Why cannot the parliamentary factions articulate that alternative? You can conduct another kind of opposition there.

[Verhofstadt] Everything the government does, does not immediately come before parliament.

[Grobben] In time it does, and in addition, the government statement is approved or rejected there.

[Verhofstadt] Right, a portion of the business is presented in time to parliament. But 90 percent of it does not end up there. Those are all the ministerial and royal decrees which are decided in private by the executive authority. We want to be able to immediately offer counter-proposals and not let ourselves be tempted into being a kind of opposition which limits itself to slogans and pamphlets.

Tossed Out

[Grobben] Cannot conflicts and overlaps develop in the matter of division of effort with the party and the factions? Not everyone seemed happy with your shadow cabinet. Herman De Croo supposedly did not think much of it. Chairman Annemie Neyts just as little.

[Verhofstadt] I admit that it is an ambitious project. Everything has been thoroughly discussed within the party, however. De Croo is a member of our shadow government. Neyts comes to the meetings. To be sure, questions have been raised about the usefulness of such an initiative, but everything has been thoroughly discussed. The reports of dissension over the matter are simply inaccurate. There is a personal vendetta behind the allegations of one certain public medium.

[Grobben] Then the questions did not concern the opportunity of once again pushing Verhofstadt to the forefront?

[Verhofstadt] No, certainly not. There was no discussion of that. But one certainly can wonder whether such a shadow government is of any use. I am firmly convinced of it—certainly now. The new-old prime minister, Wilfried Martens, keeps saying that this policy is a continuation of the old one. His partners swear high and low that it is a new approach. For that reason alone the extraordinary importance of being able to explain what the real continuance of our policy would have led to. We want to show that we are a serious opposition, that we can go back into the government tomorrow with sound, concrete positions.

One example: The myth is now being created that one cannot go much further with the spending cuts. Above all the Walloon side has not yet understood that the state's money is money from the citizen-taxpayer. With whom ever you talk, a Walloon business leader, labor unionist or journalist—it makes no difference. At a meeting of the Walloon Business Union I once explained that public investment had to be reduced further, that business leaders had to look for their investments abroad. I was literally tossed out. Now we want to prove with hard figures that there indeed ought to be and could be further spending reductions—to the benefit of the entire country.

Sponsors

[Grobben] In fact, your cabinet depends upon a team of a hundred coworkers. How do you keep them working?

[Verhofstadt] Five people in permanent positions sit on the cabinet. In addition to them, 20 commissions with 100 volunteers, who are thus not compensated, are at work. You are right: To start something like that is relatively easy, but to keep it going day after day, month after month, is another kettle of fish. For that reason I want to occupy myself full-time with the cabinet. That is my sole ambition.

[Grobben] You have fashionable offices here, coworkers—who finances that?

[Verhofstadt] The party, the chamber and senate factions, plus sponsors.

[Grobben] Who are they, for example?

[Verhofstadt] KNACK is not one of them. They are a number of private persons and businesses. No, I am really not going to name any names because I suspect that some of them would not appreciate being associated with the financing of the opposition.

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PORTUGAL

PSD Future Discussed: Time Seen Ripe for Change

Disadvantages of Optimism

35420099 *Lisbon O DIABO in Portuguese*
15 Jun 88 pp 12, 13

[Commentary by Agapito Pinto]

[Text] The 14th Congress of the PSD will take place at a difficult point in the life of the party, the current political system and the nation. This seems paradoxical, but that's how it is. The PSD holds absolute power, but it is wilting before our very eyes. The political structure is now institutionalized and all is calm along the Sao Bento-Belem corridor, but the phenomenon of increasing absenteeism from the polls shows that it has not been fully legitimized. The country has never faced so many risks per square meter, and will never have been in such a weak position as regards the rest of the world.

The Evils of Optimism

Professor Cavaco Silva, or at least the majority group that supports him, is submitting an optimistic proposal to the Party Congress, which will once again take up the ageless theme of "modernity" (one that may yet grow old from so much discussion). In such a situation, people will talk mostly about the past: the glorious 19 July and

the promises that were made then for the future. That's when people will say that the PSD is still the leading sociopolitical force. The motion by the National Political Commission expresses high regard for the administration; without batting an eyelash it says "it has the confidence of the majority and has achieved its major objectives."

We think that this type of discussion is inappropriate, even for "domestic consumption." The PSD Party Congress ought to be a forum where the deficiencies in certain areas of the executive branch could be laid out on the table, for the sake of a congress that is consistent with the intentions of its "founding fathers." Just because it is supposed to be a well disciplined conclave does not mean that it has to be bland. The need for holding an orderly congress does not dictate that the party must spend 3 days contemplating its navel.

A Fighting Party

As Dr Jose Miguel Judice correctly stated some days ago, the PSD is a party that gains strength through ordeals, during hard times. It is a combative party that does not know what to do with normality and routine. Look at the successful battles it waged—first, to achieve its relative majority, and later to turn that into an absolute majority. In both cases it started with very little, but it had faith and hope.

Even in its formal statements the PSD should not, therefore, waste much time admiring what it has done. What it really needs to do is reflect on the great deal that is yet to be done and on what has not, despite the promises, been accomplished.

The PSD needs "revolutionary self-criticism," whether or not it is carried out with the militant experience of Dr Jose Manuel Durao Barroso, the painstaking prudence of Dr Fernando Nogueira, the simple wisdom of Eng Eurico de Melo, the investigative verve of Eng Angelo Correia, the propagandist designs of Dr Dias Loureiro, the dazzle of Dr Leonor Beleza or the youthful intellectual approach of Dr Santana Lopes.

The PSD needs to get over its internal distrust of Manichaeism. It must not be afraid to point out the areas of crisis or to think about how to resolve them. Contrary to what other excellent analysts have said, we believe that there were many mistakes made in the ministerial corridors and offices that cannot be blamed on a possible spiritual omnipresence of Prof Cavaco Silva.

To criticize these errors of action or omission cannot, thus, be equated with criticizing the so-called "Cavaquismo."

The Challenges

The PSD Congress knows that the party will continue to be the majority party in Portugal for many years to come. This is due to the socially comprehensive nature of its philosophy, the broad scope of its programs, the pragmatism with which they are implemented and the suggestive power of the realism lent it by its leader.

However, the PSD Congress must not fail to lay out a strategy for recapturing the imagination of the Portuguese people. It needs to conjure up some Indias to discover, in order to mobilize the navigators. It cannot continue to rest on its laurels, since worldly glory dims before it passes away.

The PSD Congress cannot reason only in terms of the short run. It must make medium- and long-range plans. It must gather intelligence and techniques for the future. The challenges lie ahead.

Without giving much attention to their order of importance, we would say that these challenges are: (a) the process of constitutional revision and the related plans for updating the legislation; (b) full integration of our economic structures into those of the European Communities; (c) the elections in autonomous public institutions, and the elections for the European Parliament and the Lisbon City Council; (d) the presidential elections; (e) changes in the political composition of the government of our allies—the possibility that the CDU will fall in the FRG, the socialists in power in France, a Democratic President in the United States, etc.; and (f) ministerial remodeling.

Revision and Accession

The Social Democratic Party has to devote the best part of its energies to the revision of the Constitution. In this regard it needs to negotiate with the PS in areas where reasoning is possible, and whenever such a dialogue would serve to lighten the ideological freight of the Constitution. The PSD cannot enter into a dialogue just for the sake of doing so, or to give the PS an advantage; neither can it refrain from a dialogue only to prevent Dr Victor Constancio from asserting himself in the opposition.

As was proven with the issue of the defeat of the "labor package," the present Constitution makes it impossible to govern. Congressman Jose Magalhaes, one of the new hopes of the PC, said recently that the government cannot govern against the Constitution. This is true. That is why it must be changed. Making our economic system more flexible as a unit depends on this.

The PSD must lead the process of adapting the nation's infrastructure to the great shock that community unification involves, which will be felt 3 years from now. It

must follow a patriotic line, without reneging on commitments already assumed. It needs to solidify the nation's civilian society and its economy, enabling it to compete on the world scene and to ably resist the foreign "invasion."

In this regard it also needs a broad and coherent foreign policy that can bring us additional victories in areas of the world other than Europe, so that the legal definition of Portugal is no longer that of a "small dependent economy" in the process of being crushed.

Elections and Remodeling

The PSD Congress needs to begin to think about the approaching elections. To figure out whether it wants Eng Abecasis as candidate for the Lisbon City Council—as some are urging—although disassociated from the CDS. To figure out whether it wants Dr Mario Soares in the race for Belem again, but disassociated from the PS and PC. To figure out whether it wants an exclusive PSD slate for Strasbourg, or whether it would accept a link to the neoliberal force of the brilliant Francisco Lucas Pires.

The PSD Congress must reflect on the fate of "Portuguese-style social democracy" in the Western world where political forces may change places. How will Lisbon dialogue with Michael Dukakis or with a "neutralist" successor to Chancellor Kohl? How to position the PSD in the midst of the great international political party families: as a liberal, nationalist-modernist Gaullism? As an ideologically faceless populism? As post-liberalism blended with Christian brotherhood? As developmentalist traditionalism?

And the PSD Congress must not fail to reflect on the virtues and errors of Prof Cavaco Silva's 2d Congress. It should do so high-mindedly and without bitterness. Then it would be possible to sketch out the blueprint for a remodeling, without making the cure worse than the disease.

And would it not be prescribing a cure worse than the disease to appoint Dr Silveira Godinho to finance, Dr Fernando Nogueira as deputy prime minister, Dr Dias Loureiro to foreign affairs, and Dr Leonor Belez to justice? Don't the current stories about achieving a "dream cabinet" threaten to take the wind out of the sails of a useful remodeling?

Final Message

What is a useful remodeling? One in which the right people are being considered for the position, rather than one that looks for a place to put idle people. One which, without being ambitious, knows how to respond appropriately to needs. One that is not dictated by spite or vanity, or even apprehension, but coldly applies the

criteria of effectiveness. One that is intended to put all the ministries beyond the reach of lobbies that seek at all costs to reverse the advance of the much-touted 19 July.

The PSD Congress will perform its patriotic duty if it also concerns itself with this. Even if it doesn't say so or write about it. There are informal ways of making Prof Cavaco Silva aware of the backing of those who believe that Portugal cannot stop moving, nor detour into a senseless journey.

This Congress must not limit itself to tacit unanimity, although it must agree on strategy. It cannot be a rubber-stamp assembly that meets only to applaud. The thing is, those who are best at applauding are also the first to abandon ship during a storm. In that regard, does anyone remember Figueira da Foz?

Internal Malaise Discussed

35420099 Lisbon O JORNAL in Portuguese
17-23 Jun 88 p 9

[Commentary by Augusto Abelaira]

[Text] It would be foolish to give this too much importance, but the foolishness would not seem less if we were to close our eyes: The PSD is showing signs of a certain internal malaise. And if all the other parties give us evidence of malaise, if even the PCP which we would have believed immune to such symptoms evidences them, how can we demand that the PSD be an exception to the rule, especially when we know that it has historically always cultivated a certain amount of turbulence?

It is true that in the case of the other parties, if there were no other reasons, their status as losers would largely explain their indisposition. Defeated very recently, with no visible signs of recovery and—so it appears—required to go on a power diet until 1991, if not longer. Except if.... Well, I refer to the eventuality that "Cavaquismo" collapses in on itself, something I neither believe in nor have stopped believing in.

The PSD, a victorious party. Victor because it holds the majority, because the government is its monopoly; it is the PSD that hands out the sinecures. But does this mean that it has full power to carry out its program? We know that it doesn't. We even know that this is the government's biggest complaint. After all, it is a government that has a violin in its hands which, while I would not say that it has no strings at all, is certainly missing some of the strings. It has been rendered incapable of playing all the music that is in the score.

A few stumbling blocks. And not only those that come from the street and whose nonexistence the government usually decrees (certain strikes, but not all; elitist, it acknowledges that the doctors' strikes exist). Especially the obstacles created by another musical score, the

Constitution, through which the parties of the opposition have entrenched themselves now that the administration does not grant them that which was the great discovery of ancient Greece: the political value of dialogue. Situated in the trenches of absolute power, the administration has, paradoxically, lost a battle. And lost it in such a way that one can ask, although perhaps overdoing things, whether the PSD will still be a winning party (and therefore have the chance to accomplish what it set out to accomplish) and whether the PSD cannot already be called a defeated party (without that chance).

If I am perceiving things correctly, it is this awareness that translates into malaise—a malaise which will probably get worse as the political ineptness of the government, its inability to converse, to turn intentions into realities, becomes clearer. The gradual realization that the prime minister is an amateur politician, a clever man (one I would even say has some calling for the work) but who has lacked political culture (perhaps due to having waked up to politics too late?)

Helena Roseta noted that Cavaco Silva wanted the power, and got it, but is not interested in using it to remake the country. Although I have agreed with her on so many of her other criticisms, I would like to disagree on this point. I think that he wants the reforms, that he would carry them out if he could. I believe he is a sincere man; I even believe that when he is demagogic (and he almost always is), he is demagogic without being fully aware of it. He believes that his reforms are necessary and considers it treasonable not to let them be carried out. He has not noticed that he promised what he could not constitutionally promise and that, in this sense, he committed an abuse of trust. When someone promises what he cannot give.... What I don't know is whether the taste for confrontations preceded or is the consequence of not knowing how to bring about said reforms.

I ask myself: Is the malaise of the PSD going to get worse in light of the governmental inability to force most of the reforms (some of which could, plausibly, be achieved through dialogue)? And will the PSD gradually become more relaxed, freeing itself from "Cavaquista" asphyxiation? Especially I ask myself—albeit prematurely—how the prime minister will react when he feels that malaise is transforming itself into revolt. Is he the kind of man who fights to the very end or would he give up and withdraw, complaining that the world does not deserve him?

12830

SPAIN

Political Scenario Reviewed; Focus on Reshuffle

35480095 Madrid CAMBIO 16 in Spanish
6 Jun 88 pp 18-23

[Article by Cruz Sierra, Jose Manuel Huesa, Victor Steinberg, Gonzalo San Segundo, and Braulio Calleja: "Felipe Needs a Crisis"]

[Text] Of the eight ministers who have been with Felipe Gonzalez since the very next day after he took office in

December 1982, three are completely burned out (Maravall, Ledesma and Barrionuevo), another, Carlos Solchaga, has him hopelessly at odds with labor, and a fifth, Narcis Serra, is so tired and fed up with his scant prospects for promotion that he wants to give it all up and go back to his land "to help strengthen Catalonia's identity."

Of the remaining, less veteran ministers, only Francisco Fernandez Ordonez seems to be safe. He is also indispensable to the PSOE. The others are either completely unknown (some, like Abel Caballero, the minister of transportation, because of his total inability to play a minimal political role) or else no one can forget them after seeing how badly the services for which they are responsible are operating: health care, justice, administration, roads...Only 6 months before he will chair the Council of the European Communities, Felipe Gonzalez finds himself with a burnt out administration and a country that is not working. Now more than ever he needs a reshuffle.

Never before have his efforts at running the country fallen off so badly; never before has his party been so lacking in grassroots support. His own confidential polls even say so, indicating a nosedive since early spring, although a slight recovery is under way. Nevertheless, the surveys of the CIS [Center for Sociological Research] place the PSOE far from the absolute majority that it now enjoys.

Never has the image of the members of the Executive Branch and of the individuals most closely linked to the Socialist government been so tarnished. When they do not appear in the press because of the doubts that are cast on their personal honesty (the entire shady affair of influence-peddling, which the Socialists have not been able to manage so that it does not splatter them), they make blunders that belong in the books (Barrionuevo with his decision to send in the GEO's [Special Operations Group] to attack two homes and a pub in Leganes), or are incapable of settling or preventing strikes with major social repercussions (Maravall with the teachers strike).

And to make matters worse, Jordi Pujol's unstoppable victory has turned into another defeat for Catalan Socialists. The election returns from Catalonia are a clear sign of the Socialists' inability to make headway and even to halt their decline among voters. The PSOE is increasingly worried. "The party's Federal Executive Commission is worried about the erosion of the administration," admitted Ana Miranda, who is in charge of communication for the PSOE. She is so worried that she has asked the prime minister to do something so that the administration can regain the political initiative that it lost almost at the beginning of the year.

Felipe Has To Do Something

Something has to be done, and soon. And while drastic measures are being taken, the nerves of the country's political leaders are on edge. The nervousness has

affected the prime minister himself, who when harassed seems to have adopted the expeditious and vitriolic manners of Alfonso Guerra. If the deputy prime minister attributed the criticism of him during the Mystere affair to the antidemocratic storm, Felipe Gonzalez has not held his tongue in describing as crows and vultures those who used Barrionuevo's enormous blunder in Leganes against the administration.

He has already given an example of his irritation when he blamed the reactionary Right, "which cannot stand not being in power," for all of the suspicions that were directed at him and his colleagues in connection with influence-peddling (when he himself knows that many in his own party would like to see certain businesses of former high officials controlled). Or when he blamed the teachers conflict on those "who are not exactly in favor of public education." The same prime minister who in the Philippines acknowledged that "this government is disagreeable" later grimaced in Jakarta and angrily brushed aside the Leganes fiasco on television.

This is not Felipe at his best, of course. His mood does not seem particularly well suited to handling a government crisis, especially since, according to his colleagues, "he suffers and has a very bad time of it" when making changes in his cabinet. He himself acknowledges that he does not know how to make them and that he suffers from a natural reluctance to get down to business. Even now, although he is convinced of the need for changes, he keeps on repeating that the country does not appreciate the work that this administration is doing. And in his support he shows clippings from NEWSWEEK, THE FINANCIAL TIMES, THE INTERNATIONAL HERALD TRIBUNE and THE WALL STREET JOURNAL, publications that have recently devoted long articles to Spain's economic accomplishments. "We are appreciated more abroad than at home," he theorizes.

Theories aside, the prime minister has gotten down to business in bringing on the crisis. But the first doubt in this thankless task is the timing. According to sources consulted by this magazine, a government move is imminent. According to others, Felipe cannot make the same mistake he did when hours before leaving for the Philippines, when he admitted on National Spanish radio that Jose Maria Maravall was worn out. The 250,000 teachers, who had been bad-mouthing the minister for months, never suspected that his immediate boss was going to present them with this sort of gift. Nothing could be better, just before the start of a new bargaining process, than the prime minister weakening their opponent.

Political Naivete

Hours later, after seeing how his confession had been used in the papers the following day, the prime minister realized that he had been guilty of unforgivable political naivete, not just an outburst of sincerity. Therefore, he immediately corrected himself as best he could. If Felipe

Gonzalez carries this experience over to the process of forming a new cabinet, circles close to Moncloa indicate, it would mean that he cannot replace Maravall until the conflict with the teachers is settled or, at least, heading in the right direction. For the time being the big question mark is whether the school year will be completed and whether the 5.5 million boys and girls who are affected will even be able to take their exams. According to some experts, this simple fact is enough to postpone the crisis to late June or early July.

The prudence that the Maravall affair seems to dictate (everyone regards him, nonetheless, as a fixture in the next cabinet, the speculation being that he could move over to Foreign Affairs or Culture) is also necessary in tackling the problem that exists with Jose Barrionuevo, the "all heart minister." The prime minister knows better than anyone that his minister is under very heavy fire (Felipe has stood up for him in public many times) and also that he is so burned out that he would gladly leave the ministry. It would not be the first time that he has asked to be relieved. But Felipe Gonzalez does not seem to be too willing to dismiss a minister whose antiterrorist policy he agrees with one hundred percent just a few days after having made such a glaring mistake. The prime minister is not accustomed to acceding to requests from the opposition that his ministers resign or that he fire them. Quite to the contrary, he is wont to consider that this is reason enough to keep them on. Moreover, his thinking remains the same: "If we had rescued Revilla, everyone would have been happy. Governing means taking risks."

The very profile that has been developed of who Barriounuevo's successor ought to be would counsel him to wait before bringing on the crisis. The battle against ETA is one of the administration's priorities, and thus Moncloa distrusts any "innovative" solution, such as putting the ministry in the hands of someone who has had nothing to do till now with the crackdown on terrorism, as would be the case with Leopoldo Torres or Eduardo Martin Toval, two of the names that have been mentioned most often as possible ministers. He is looking for a person with experience in this area of government, someone who can also do what Barrionuevo has been unable to: seriously tackle the problem of citizen insecurity.

Only men like the secretary of state for security, Rafael Vera, or the director general of the Civil Guard, Luis Roldan, square with the composite picture of the likely new minister. Neither of the two, however, can be divorced from the unsuccessful antiterrorist operation in Madrid a few days ago.

Other circles, however, allegedly advise ruling out a status quo move in Interior. The crux of their arguments has to do with two trials that are under way: the trial connected with the disappearance of Santiago Corella, "El Nani," and the performance of certain magistrates in connection with police chief Amedo and his alleged links

to the GAL [Antiterrorist Liberation Groups]. The reasoning behind the recommendation of a sweeping change in this regard is that the ministry's new heads must bear no responsibility whatsoever in two such thorny affairs for the Spanish police.

Three Years Without an Understanding

Another apparent reason for delaying the crisis until summer begins is the upcoming "summit" meeting that he has to have with Nicolas Redondo. It is not that big things are expected. The labor leader admitted a short while ago that there have been months when "I have been with Felipe more than with my wife, and we still haven't come to terms." Moncloa is not very hopeful either that Redondo has altered his principles, and of course they are not willing to modify economic policy. During his recent trip to the Philippines and Indonesia with the prime minister, no one was more boastful of his accomplishments and sure of himself than Solchaga, who even made all sorts of sarcastic remarks when asked about the crisis. Undoubtedly, however, it is very hard for a prime minister who is readying a new cabinet to get used to the idea that he is going to go 3 years in a row without achieving some sort of social understanding.

The prime minister wants to settle differences, open up the possibility of negotiating some already well-defined issues (INEM [National Employment Institute], unemployment insurance) and get the UGT [General Union of Workers] to cooperate in the youth employment plan with which the government wants to create 900,000 temporary jobs for people under age 25. In exchange, he would be willing to let the union take part in drafting the 1989 budget, which could provide more social spending cheer. A reflection such as this could help the prime minister remake his administration, although he in no way seems willing to let go of Solchaga to please the UGT. But he could look to other people like Julio Rodriguez, the president of the Banco de Credito Industrial, for other economic ministries, such as Industry, or Transportation, Tourism and Communications. Rodriguez has precisely the sort of image and characteristics that are lacking in other men in the economic team, such as Luis Carlos Croissier, whom everyone regards as gone. He has been a party man for many years; his ideological traits are markedly socialist; he gets along well with the UGT and he has nothing to do with the "yuppies," who are so much in vogue precisely in the economic team.

Working Without Mortgages

There are those who think that in spite of everything the crisis is imminent. Those who so argue indicate that the prime minister cannot wait any longer to retake the initiative and that it is now or never. Work is starting on the rough drafts of the budgets, and thus the new ministers could begin working without mortgages and would have the summer ahead of them to study their courses of action; the appointments would coincide with the replacement of the governor of the Banco de Espana

and with Spain's entry into the so-called Community "troika," at which time the preparations for Spain's chairmanship will officially begin; a new-look cabinet would enable the prime minister to devote himself more, after summer is over, to his Community tasks without having to scale back his international profile because of domestic matters.

In designing his new team Felipe has a group of "fixtures" who are unlikely to leave his administration as long as he is prime minister. They are: Carlos Solchaga, who has pursued the policy that has revitalized the economy; Javier Solana, who will continue as minister spokesman, although he could give up Culture; Joaquin Almunia, whom the prime minister trusts to streamline government, negotiate with the unions of civil servants and control the autonomous presidents; Carlos Romero, the only minister who has the training to undertake the difficult negotiations on Community farm prices, the most serious task that Spain will take on as of this coming 1 January; and Manuel Chaves, the only minister who has an open line to and bargaining ability with the unions, even if it bothers Solchaga, with whom he gets along very poorly.

Paco, Indispensable; Serra Leaving

According to many sources, Francisco Fernandez Ordonez joins this leading group, as he cannot be replaced 6 months before Spain chairs the Community. In order to serve as the top official in Brussels, it is said, it is indispensable to have known the foreign ministers of the other countries for some time and to be quite experienced in Community dynamics.

Narcis Serra used to belong by right to this minority of the chosen. The defense minister is tired, however, and seems prepared to make a new life for himself in Barcelona, where according to some sources a high-level post has already been prepared for him in the organization of the 1992 Olympics. Serra feels that he has already played his role in Defense and would reportedly be interested in remaining in the administration only as economy minister, a post that does not seem vacant. Nevertheless, according to some sources he could be tempted by an offer of the Foreign Ministry. So far Ordonez has won every battle with Serra. The skillful chief of Spanish diplomacy has been able to exploit almost alone the withdrawal of the American F-16 fighters from Spain and the new agreement with the Americans. At the same time, the very prominence that Community policy has acquired has relegated the difficult negotiations with NATO to secondary status. Such circumstances, which have not sat at all well with Defense, seem to have prompted Serra to think about leaving government, although taking over as foreign minister would be revenge of a sort for him.

All of the other ministers not included in this private "clique" know that they are under the gun. Many are relying on the prime minister's natural tendency not to

make major moves so that they can stay on. But all of them also fear the falloff in the administration's popularity that the polls are underscoring. And they know that Felipe will not be able to make a comeback by making just a few changes. He needs to bring on a crisis, and a deep one.

8743

SWEDEN

Christian Democrat, Center Parties Express Opposition

Christian Party Leader Wants New Regime

36500133c Stockholm DAGENS NYHETER in Swedish
10 Jun 88 p 12

[Article by Kaa Eneberg: "Ingvar Carlsson Despotic"]

[Text] "Never in my 15 years as party leader has it been so obvious as it is now that a change of government is necessary, not so much because of Anna-Greta Leijon's false step and departure but on the basis of Prime Minister Ingvar Carlsson's despotic actions in recent days. A vote for the Christian Democratic Party [KDS] is a vote for a nonsocialist government."

That is what the leader of the Christian Democratic Party, Alf Svensson, said Thursday when he held what was probably his last press conference in the Riksdag building. There was a generally friendly atmosphere in one of parliament's more out-of-the-way rooms, with Alf Svensson politely shaking hands with the journalists who attended.

The leader of tiny KDS, which has the support of 2.6 percent of the electorate, won a seat in Riksdag in 1985 as a result of technical election cooperation with the Center Party. His chances of returning after the next election under his own power—with 4 percent of the votes or 12 percent in a single county—are minimal, and he has covered himself by running for a seat on both the municipal and county councils back home in the KDS stronghold of Jonkoping.

He explained that party friends at home talked him into running; he himself feels new KDS faces are needed in politics.

"This is a typical dilemma for a small party. One must make use of the few people who are well-known," said Alf Svensson.

Power Shift

The press conference was supposed to deal with the party's upcoming annual national congress, which in this election year will be held in Jonkoping during the period of 30 June-3 July. But Alf Svensson, who has not had a

chance to comment on what he calls "the recent political happening," seized the opportunity and spoke about the need for a power shift in the fall following the election on 18 September.

"The parliamentary system in itself implies a need for power to change hands and in this country the system has functioned poorly. A change of government in the fall would be good for everyone, including the Social Democrats and Riksdag," said Alf Svensson.

"For it is not true, as Ingvar Carlsson said, that the Social Democrats are good at ruling and the other parties are good at being in the opposition. I believe the Social Democrats would do very well in the opposition and this would revitalize all Riksdag activity and put the Riksdag in the center in an entirely different way than is true of this parliamentary period.

Seventy-Five Motions

"It would be good for democracy as a whole. Professor Bo Sodersten, who is a Social Democrat, has criticized the diminishment of parliament's dominant position, but instead of being taken seriously by his own party, he is treated like a kind of political dissident. That is unfortunate," Alf Svensson said.

At the national congress in Jonkoping the KDS leader's work in Riksdag will be evaluated in a debate, among other things. He himself believes KDS policy, which was broadened to include all relevant social areas, won respect. The main themes at the congress and in the KDS campaign will be the environment, health care and the family.

Of the 75 motions that will be discussed at the congress, one-fifth concern the environment and almost as many involve education and culture. A motion that will be given favorable treatment by the party's executive committee recommends a popular referendum on Swedish membership in EC in 1991.

Center Party Intentions Questioned

36500133c Stockholm DAGENS NYHETER in Swedish
22 Jun 88 p 2

[Editorial: "Center Lacks Strong Government Desire"]

[Text] For the Center Party the current party gathering in Boras is an obvious launching pad for the election campaign. The party, which was badly wounded in the last election and has managed to change party leaders twice since then, must make an enormous effort to avoid another defeat. Without the cooperation with KDS, the Center Party will have to work harder to hold onto its present number of seats in Riksdag. Olof Johansson must now raise the party at least a few percentage points above the 9-percent level within the next few months.

The most obvious course for the Center Party is to simply concentrate on spectacular profile issues and woo the public by taking initiatives that are aimed at various target groups. A lower value-added tax on food and bigger standard deductions, smaller school classes and free years of health care for pension recipients are some examples. Things have gone pretty far when the party organ, SKANSKA DAGBLADET, utters somewhat cautious words of warning about the problem of financing all the reforms the Center Party has promised.

By means of increasingly harsh attacks on the Social Democratic government, the Center Party has sought to strengthen its credibility as an opposition party. At the same time Olof Johansson has made it clear that he is working for a change of government. In this way the party is meeting a requirement that many nonsocialist voters regard as fundamental.

But we have still not seen any convincing evidence of the Center Party's desire to rule. It is true that Olof Johansson says that he is working for a majority government in which the Center Party will participate. But there seems to be only moderate interest in this among party activists despite the fact that Johansson acts as if the Center Party will set the terms for a new government's tax policy. The Center leader seems to think that the stronger wish to rule on the part of the Conservatives and the Liberals—as well as their uncertainty about the Center Party's intentions—will also lead these two parties to go along with the demand for a differential value-added tax.

However the party's second vice chairman, Gorel Thurdin, did his best at the Center congress to underline the tax policy differences between the Center Party and its prospective coalition partners. Unfortunately, this was done mainly through a series of irrelevant attacks; among other things we learned that Bengt Westerberg is worse than Ronald Reagan because in contrast to the American President he was prepared to eliminate or reduce the basic standard deduction! The Center Party should know better.

Prior to the noteworthy refugee debate with Sven-Olle Olsson there were several examples on Monday of the Center leadership's lack of responsibility for its own policy. Even before the congress could start the EC debate, the party's executive committee beat a retreat. Therefore the resolution was very negative with regard to Swedish cooperation with EC and is not really compatible with the Riksdag resolution on the EC issue which the Center Party recently supported.

The Center congress also pushed through a tighter version of the rules concerning visits of foreign vessels that might have nuclear weapons on board. The result of implementing this resolution would probably be that countries like the U.S. and Great Britain would have to refrain from making naval visits to Swedish ports in the future. Thus on an issue vital to security policy the party leadership was defeated—without anyone in that group

having lifted a finger. One can compare this with the Social Democratic Party congress where after a lot of fencing Sten Andersson succeeded in preventing an impending resolution from being pushed through.

The difference is not just that the Social Democrats are in the government, while the Center Party is in the opposition. Olof Johansson certainly has much more party support than Thorbjorn Falldin had in his later years as party leader. But at the congress he never really spoke out in defense of his opinions or exercised clear leadership in the way that one expects of political party chairmen.

When the Sodertalje LANSTIDNINGEN (Center) writes that "DAGENS NYHETER wants to skip over the Center Party," in a commentary on our earlier editorial, the question remains what the Center Party itself really wants. The Conservatives and Liberals cannot be bound after a change in the Riksdag majority to trying to form a majority government if the third party in such a government is not prepared to participate.

The middle-party government of 1981-82 showed that a minority government that is able to stick together can be preferable to a limping three-party government. This time it is the Center Party that must prove itself.

06578

Communist Left Party Issues Election Platform Document

Critical of SDP Government

36500128 Stockholm DAGENS NYHETER in Swedish
1 Jun 88 p 2

[Text] The Left Party-Communists [VPK] have received a certain amount of encouragement through the debate about the PK Bank's dealings with Erik Penser and through the finance minister's flirting with the VPK demand for elimination of the value-added tax on food. But, otherwise, the VPK has tangible difficulties entering the political debate, and in the opinion polls it hovers around the 4-percent mark.

The principal point of the election platform document recently adopted by the VPK party executive committee is a criticism of the Social-Democratic government politics as being too capitalistically oriented. As is so often the case in the VPK, the conclusion is that the state should raise taxes, except for the VAT on food, and increase spending to an even greater extent. Furthermore, we should work less and the economy should be subjected to additional surcharges.

With the exception of a special tribute to culture and its practitioners, this year's platform contains little new political thinking. The VPK consistently endorses viewpoints which represent a higher level of bidding than the administration's, and thus in practice allows its agenda

to be controlled by forces outside the party. Of decisive importance to the party's fate in this election as well is likely to be "Comrade 4 percent," meaning support votes from persons who basically prefer the Social Democrats.

Interestingly enough, AFTONBLADET pleaded for the VPK to be given seats in Parliament in the future as well and in practice encouraged its readers to cast support votes. Such exhortations did not usually take place quite this openly; evidently, there are Social Democrats who are afraid that a VPK disaster would determine the election outcome. But it would be strange if appeals such as the AFTONBLADET's would have the result that the party, despite its obvious decrepitude, remains in Parliament—more or less by the grace of the Social Democrats.

Campaign Launched

36500128 Stockholm DAGENS NYHETER in Swedish
3 Jun 88 p 12

[Article by Kaa Eneberg: "VPK Concentrated on Culture"]

[Text] It is with music, street theater and some of Sweden's foremost artists that the Left Party-Communists (VPK) expects to win votes in the election on 18 September. Artists Peter Dahl and Torsten Bergmark, among others, are making election posters that are delightful to look at.

Without the VPK in Parliament there will be a non-socialist government, is the theme of the pre-election campaign, which is gearing up in earnest this weekend all across the country. VPK election workers are appearing in various places in the Stockholm region and about a hundred places around the country. The party offered a taste of this in Goteborg last weekend.

A new element in the election campaign will be an organized bus tour with the party leader, Lars Werner, from Malmo to Svinesund in Norway later this summer for the purpose, among other things, of studying the environmental hazards along the west coast.

"Well, we are copying the others a little bit. There has to be some renewal," admitted VPK leader Lars Werner somewhat embarrassed, when the campaign drive was presented Thursday.

Aerial Leaflets

In cute little aerial leaflets that will be distributed to interested people, the party says that it has long demanded elimination of the VAT on food, that it wants a new and fairer tax system and lower day care rates.

Werner insists that the obviously advertising company-inspired brochures are cheaper than material used in previous elections.

And the election outcome? The party leader, whose party has long hovered around and below the magical 4-percent line, says he does not see any risk that the party may leave Parliament.

"It will probably end up just like it did in earlier elections," says Lars Werner, who goes to Copenhagen

this weekend to participate in the deliberations on the EC issue by the Nordic leftist parties.

There, the parties are also expected to join in demanding that the council hold a minisession on environmental pollution this fall.

11949

FINLAND

Army Announces Reorganization Measures *36170068b Helsinki HELSINGIN SANOMAT* *in Finnish 13 May 88 p 16*

[Text]

Lappeenranta (HS)

The Armed Forces propose to abandon the Koria Garrison at Elimaki and most of the areas in Lappeenranta occupied by the Uusimaa Dragoon Battalion. These plans are in connection with the reorganization of military units in Southeastern Finland now under consideration, which they intend to carry out next year.

They will probably decide in the Defense Ministry on the changes in June. Representatives of the ministry are currently making the rounds of the garrisons and municipalities informing them of the plans.

The long-awaited and planned change in the peacetime organization of the Armed Forces will mobilize a large number of troops in southeastern Finland. Through this reform the Armed Forces will make an effort to adapt to changed conditions, that is, a reduction in the number of recruits and an increase in the number of participants in review exercises. By combining units they will try to eliminate overlapping activities and free personnel for trainer duties.

Two Bands Will Be Eliminated

In the plan under consideration by the Defense Ministry, the General Staff proposes elimination of the Lappeenranta and Hamina garrison bands. A band composed of recruits that is being contemplated would continue to provide music in Hamina.

The skeleton-patterned jackets purchased for the municipal band in Lappeenranta would be primarily for prankish use when the dragoons cycle to Mikkeli to reinforce the Savo Brigade. According to the plans, only less than a hundred recruits will remain in Lappeenranta as an Officer's Candidate School staff company to train operations officers.

Koria's Engineers To Be Transferred to Kouvola

According to the proposal, the entire Kymi Engineer Battalion will be transferred from Koria near Elimaki to Kouvola on the other side of the Kymi River. At present there are an engineers school and the Salpausselka Anti-aircraft Battery, among other units, in the Kouvola Garrison. The General Staff recommends Hamina, where the Kymi Light Infantry Battalion, which is to move to Vekaranjarvi near Valkeala, will make room for them, as the new mailing address for the anti-aircraft personnel.

Hamina will probably also be the future base of the Kotka Coastal Battery staff. According to the General Staff proposal, the battery staff could, at least for a while, continue to occupy the historical fortified castle, Kymmlinna, in Kotka.

At present in Vekaranjarvi near Valkeala, the Karjala Artillery Regiment will be attached to the Karjala Brigade, which operates in the same garrison.

Chiefly areas in Koria near Elimaki and in Lappeenranta will be cleared of Armed Forces personnel through the reorganization. The Armed Forces are preparing to abandon these areas possibly within a few years' time. Because of these changes, the Koria Garrison area would be for supply and maneuvers use only. A small part of the Lappeenranta Garrison area and the barracks will suffice to meet the needs of the Officer's Candidate School.

There Will Be No Problems in Selling the Land

The Armed Forces will have no problems in selling their land. In Lappeenranta the garrison site is located in the center of town. Freeing the area of dragoons will provide the town with alternatives and also an opportunity to better organize troublesome northbound through traffic.

All 84 hectares of the Koria Garrison area are on the banks of the Kymi River between the population centers of Elimaki and Kouvola. The area to be cleared for the municipality will be the most productive one for residential use. Other equivalent sites quite close to the town cannot be obtained for residential use.

The town fathers of Elimaki have announced their position to the Defense Ministry, namely, if the soldiers leave Koria, the supply depots do not have to be left there either.

11466

Finnair Yields to Air Force on Pilot Recruiting *36170068a Helsinki HELSINGIN SANOMAT* *in Finnish 8 May 88 p B2*

[Article by Ritva Liikkanen]

[Text] Finnair may have broken the law when it refused to test Air Force pilots seeking employment with the company.

Who owns a fighter pilot?

When Finnair announced that it was organizing a pilot's course for experienced pilots, among other applicants it got 50 Air Force pilots.

Rapid discussions followed. Last Thursday evening Finnair announced that it would not invite Army pilots to the tests to begin on Monday. The gentlemen's agreement between the state company and the Air Force reached in the 1970's remains in force.

With its action Finnair may well have violated the most recent provision of the labor contract law. The regulation, which went into effect in early March, prohibits employers from discriminating against workers when they are being hired. Applicants cannot be appointed to positions differing in rank from one another for reasons that have nothing to do with the job they are hired to perform like, for example, race, religion or age, perhaps also the applicant's employment with the Air Force.

Assistant parliamentary legal counsel Pirkko K. Koskinen said that Finnair's [hiring] procedure is at least very close to being discriminatory: "An applicant's employment with the Air Force is immaterial from the standpoint of the job. It is as if Finnair were to decide that redheads are not qualified to work for them. The company ought to be at least able to show that the color of one's hair is of essential importance from the standpoint of the job."

In the 1970's two cadet courses were transferred to the airline. As a result, a system was established according to which anyone who wanted to become a pilot had to agree to serve in the Air Force for at least 8 years and in certain cases at least 10 and a half years. The state labor agency obtained the consent of the Officers Association and the Operations Officers Association with the so-called flight supplement, which at present amounts to, for example for a captain, over a third of his salary.

Anyone who breaks the agreement has to pay the state a portion of the money it has spent on his training, about 100,000 markkas. The amount is a flat sum, regardless of the number of years he has served.

At the same time, Finnair vowed that it would not get its pilots from the Army nor did it have to; years of tranquility in the civil aviation sector followed and the civilian population produced plenty of applicants. Some of those who were trained as civilian pilots even had to wait a couple of years before they could go to work.

Actually, Finnair set such a low age limit for its pilot's courses that Air Force pilots did not have a chance to try for them. One could be no more than 26 years of age to qualify for Finnair and an Air Force pilot was not released from his expensive commitment until he reached the age of 30.

Requirements Changed Deliberately

This year Finnair changed its eligibility requirements. It began looking for experienced pilots for a shorter than usual course by announcing that "those who are about 30 years of age are also" eligible. Finnair received 140

applications, about 50 of which came from the Air Force. The oldest of the applicants was 36, but among them were those whose agreement with the Air Force had not yet expired. The broad form of the announcement was calculated. Finnair was ready to hire at least some of the fighter pilots. Unofficially, they were given to understand that, starting as copilots, they would receive roughly the same salary at which they left the Air Force, despite the fact that a copilot's salary is a couple of thousand markkas lower than that of an Army captain, for example, who has been flying for over 10 years.

Finnair has about 400 pilots. It urgently needs more. Right now it is short roughly 25 pilots. It has not yet reached the point where planes are standing idle because the company does not have anyone to fly them, but the company has made large purchases of equipment. The civil aviation sector is constantly expanding.

The company nevertheless yielded during the rapid negotiations between the Air Force and the company. Air Force commander Maj Gen Pertti Jokinen announced that he is all the same taking the matter to the ministry and higher to the Council of State. As for Finnair general manager Urpo Koskela, he said that Finnair is a bit put out, but that they will nevertheless go along with it. Of the under 100 civilian applications they have screened 34 applicants, probably one quarter of whom will qualify: "We don't want to quarrel about this either."

"I Want To Fly"

Why does a fighter pilot want to get at the controls of a civilian plane? A captain who completed the cadet's course in 1976 earns roughly 14,000 markkas flying his Draken. His classmate, who has exactly the same amount of experience, obtains a monthly wage of about 20,000 markkas with Finnair.

The Air Force pilot also knows that his salary will not grow. Since the state labor agency knows that Finnair—the only domestic civilian employer under consideration—will not even hire those whose 10-year agreement has already expired, the pilots lose even their last ace in the negotiations. Officially, there is a limit to the agreement; in practice, it is the same as a lifetime employment.

But money is not the only reason.

"We have exceptionally high morale in the Air Force," says a 33-year old Draken pilot. "We have pride in our profession and we do more than what might be expected of public servants."

In spite of this, the man is, along with others, seeking employment with Finnair. He says that he wants to fly; he has wanted to do so since he was a schoolboy and that is just why he signed up for the Air Force too.

As of now, he has been flying for 11 years. In a year's time the superior officer's course is in store for him and in 2 years' time the number of hours he spends flying will be substantially reduced. He will have reached the age at which flight duty is generally left to younger pilots. After completion of the course, they may try to transfer him to staff duty, and at the age of 45 he will have to retire. With Finnair he will be allowed to fly until the age of 58.

Pilots Also Looking to Sweden

In Maj Gen Pertti Jokinen's opinion, the Air Force should not constitute a reserve for Finnair: That state company must not be allowed to scoop up the pilots it wants from the Armed Forces. He realizes that a fighter pilot prefers to liken himself to the captain of a civilian aircraft rather than to an Army warrant officer, but he feels that pilots are paid good wages for public servants: "The wolves are not baying at our door." "Finnair, of

course, operates in terms of its own considerations and it is not its function to bear in mind the Air Force's interests. The Air Force's problem is, however, a security policy problem. In my opinion, the term of the agreement the men must sign might even be extended."

In a disappointed pilot's opinion, such an agreement would not be signed. Some of the men will in any event leave [the Air Force]. In Sweden SAS is suffering from the same kind of shortage of pilots that Finnair is. Swedish Army wages have been substantially raised.

"We at any rate intend to ascertain how legally binding such verbal gentlemen's agreements are. Someone ought to be able to tell us whether our rights as individuals are being violated."

11466

FEDERAL REPUBLIC OF GERMANY

Joint Development of Kola, Other USSR Projects Imminent

36200148a Duesseldorf *HANDELSBLATT* in German
13/14 May 88 p 1

[Text] Moscow, 12 May—Against the background of 3 years of a decline in the exchange of goods, promising projects in three significant areas were discussed at the meeting of the German-Soviet Economic Commission. While Soviet Deputy Premier Antonov envisaged "large-scale measures," FRG Minister for Economics Bangemann spoke of "decisive steps."

New major projects have emerged in three areas. In the first one, the FRG has the opportunity to cooperate in opening up the Kola peninsula, with its rich mineral resources. Secondly, there are plans for exploiting and petrochemically processing natural gas and petroleum in the western Siberian area of Tyumen. Finally, the FRG is to intensify its deliveries of equipment for light industry and the food industry. The Soviets expect of German industry and the credit economy that consortia be formed that will ensure the smooth development and financing of "major sector and regional tasks." A separate working group was formed for the development of the Kola peninsula, which is to be headed by the president of the Soviet Chamber of Commerce, Vladislav Malkiyevich. In addition, the start-up of joint ventures is to be supported. Progress has in the meantime been made on the preparation of an agreement on investment protection, which in this regard was suggested by the German interested parties; Antonov mentioned "one or two points" that remain to be resolved by the experts. The joint communique also notes that contacts in planning high-temperature reactors have "developed further." In this respect, both sides have high expectations from a mixed commission for scientific and technological cooperation, which held its first meeting in April. There are also hopes for the wood, cellulose and paper sector of the engineering industry; technical cooperation in this area was a major theme at the commission meeting. Bonn's proposals for a training program, which was the second major theme, encountered avid interest from the Soviets. According to Bangemann, one example of this would be training professionals in marketing.

12271

JESSI Project Provokes Political 'Tug-of-War'

36200148b Frankfurt/Main *FRANKFURTER ALLGEMEINE ZEITUNG* in German 31 May 88 p 17

[Text] Munich, 30 May—The site for the European JESSI project (Joint European Submicron Silicon Initiative), which focuses on the development, production, and application of the generation of the integrated circuits after the next one and promises to bring with it around 1,000 new jobs, appears to be developing into a political tug-of-war. Bavarian Minister for Economics

Anton Jaumann has announced that Land's claim to the first site for the project, which is currently up for discussion. A second site for production will be determined in a later phase. However, the possibility that the selection of the first site could have a prejudicial effect on the later choice cannot be ruled out.

Jaumann sees indications that this site could be located in the vicinity of Hamburg, due to pressure from political circles in Bonn. However, Bavaria is not willing to accept a decision in favor of northern Germany based primarily on considerations of regional politics, he said. In Jaumann's opinion, this would be a highly foolish act. The Bavarian minister for Economics pointed out that following the election in Schleswig-Holstein, Bavaria could assume a key role in the Bundesrat.

The JESSI project is currently in the planning phase, which includes reaching a decision on the site and which must be completed by the end of this year. The project, which is divided into several phases, is to be implemented through 1995-96; at that point, production will get under way. The most important partners are Siemens and Philips. Jaumann noted interest by the French and Italian governments in participating. The French-Italian semiconductor firm SGS-Thomson announced hopes to that effect a little while ago (*FRANKFURTER ALLGEMEINE ZEITUNG* of 6 and 12 April). In the meantime, employees of SGS-Thomson have reportedly been involved in technical talks concerning planning. At Siemens, the problem is considered solvable. Well-known machine manufacturers and application-oriented firms such as Nixdorf and Bosch are also involved in the talks.

[Boxed item] An attractive part of the central facilities for the European space program is to be set up in Oberpfaffenhofen, near Munich, at the German Aerospace Research and Testing Institution, according to an announcement by Bavarian Minister for Economics Anton Jaumann. He said that Bavaria wants to further develop its position as a leading European site for space-technology industries. Bavaria, which is one of the best addresses in Europe for technology, now spends DM100 million a year on promoting economic research and new technologies, and wants to increase this sum each year by another DM50 million.

12271

Coalition in Agreement on Excise Tax

36200165 Frankfurt/Main *FRANKFURTER ALLGEMEINE ZEITUNG* in German
11 Jun 88 pp 1, 2

[Text] Excise duties and social contributions are to be raised by more than DM10 billion from 1989 on. This was decided by the heads of the coalition late last Thursday evening. The additional receipts are needed mainly to finance the EG, provide more structural aid to financially strapped Laender and cover the deficit of the

Federal Institution for Labor. The higher price of gasoline and heating fuel as well as the rise in the rate of contribution to unemployment insurance (from 4.3 percent now to probably 4.8 percent) are expected to yield the biggest amounts. In the coming week, the coalition fractions will decide their attitude in regards to these proposals.

According to the decisions by the heads of the three coalition parties (CDU, CSU and FDP), the excise duty on unleaded gasoline will rise in 1989 by 9 pfennig per liter and in 1991 by another 3 pfennig per liter. The excise duty on leaded gasoline will be raised by 12 pfennig per liter in 1989 and by another 2 pfennig per liter in 1991. The differential between the tax on unleaded and leaded gasoline will therefore increase in 1989 from 5 pfennig to 8 pfennig per liter but narrow in 1991 to 7 pfennig per liter. The vehicle tax for diesel automobiles is to be raised in proportion to the mineral oil tax on gasoline. There is therefore not going to be any favoritism for diesel cars. In order to limit the burden on employees with long commutes, the blanket kilometer tax rate will initially rise in 1989 (from 36 pfennig to 43 pfennig), and once more, in connection with the tax reform act, in 1990 (from 43 pfennig to 50 Pfennig per commuted kilometer).

The increase in the excise duty on light fuel oil is to amount to 4 pfennig per liter. Due to the nature of international supply contracts, the ensuing rise in the price of light fuel oil is likely to also affect the price of natural gas. On the other hand, the coalition nixed Stoltenberg's proposal for a tax on natural gas. The tobacco tax will be raised by roughly 10 percent, equivalent to 1.2 pfennig per cigarette; fine cut tobacco will be even more heavily taxed. A box of cigarettes will probably cost the same but contain one fewer cigarette. The tobacco duty will be raised from May 1989. A considerable increase will occur in the insurance tax, but it is supposed to affect only chattel insurance, not life, accident or health insurance. The tax rate will in future amount to 7 percent (compared with the current 5 percent).

On Friday last, Federal Finance Minister Stoltenberg pointed out that, at the beginning of the election period, the coalition had agreed on the need for the Federation to raise excise duties to compensate the growing burden imposed by the European Community. At least DM5.5 billion will have to be appropriated for this purpose next year.

In fact, the revenues from the higher excise duties will exceed this amount. In 1989 the new duties will yield to the Federation at least DM6 billion in extra revenue, an amount that will rise to more than DM8 billion in 1992. The Laender will receive some DM350 million from the vehicle tax to be levied on diesel automobiles. At the same time we must note that value added revenues will also increase, because excise duties are included in the determination basis of the value added tax. This does

not apply to the insurance tax. As a consequence, we should expect the value added tax in 1989 to yield an additional amount of about DM700 million—two-thirds for the Federation, one-third to the Laender.

The additional value added tax revenues are to primarily benefit the financially strapped Laender. The same holds true also for the amount of roughly DM1 billion of additional tax revenues remaining after the extra EC commitments have been met. In the current stage of negotiations, the Federation therefore offers the Laender additional moneys in the amount of almost DM2 billion. This is considerably less than called for by Lower Saxony's Premier Albrecht who wishes to transfer to the Federation additional welfare costs in the amount of DM5 billion so as to ease the burden on the Laender and municipalities.

Thursday night the coalition decided that the Federation should not get involved in welfare financing. Still, this does not mean that the Federation's offer is the last word on additional financial aid to the financially strapped Laender. Negotiations will go on, and decisions are expected in late June or early July. The additional money is to be used for federal investment aids as per Article 104 of the Constitution and for the limited capitalization of complementary allocations. The Bonn coalition heads also urge that the financially strong Laender make available the moneys accruing to them from the tax decisions for the improvement of the fiscal adjustment among the federal Laender.

Stoltenberg expressed satisfaction with the fact that the political preconditions have now been created for enabling the Federation next year to lastingly reduce new indebtedness, and that a financial balance will be achieved in the Federal Institution for Labor. In the current year, Stoltenberg will include in the federal budget the Federal Institution's deficit, amounting to about DM1 billion. This will be inserted in the 1988 supplementary budget to be adopted in early July. Stoltenberg promised last Friday that these additional expenditures will be largely compensated for by cuts in other allocations.

The details of the consolidation of the Nuremberg Federal Institution for Labor have not yet been finalized. However, there is agreement on raising the rates of contribution and cutting payments. The 1989 deficit is expected to be about DM5.1 billion. The rate of contribution is likely to be raised by 0.5 percent, yielding DM3.5 billion additional revenues. It is suggested inside the coalition to limit to 6 months the maximum period for the payment of unemployment compensation to persons below the age of 20 and to 9 months to persons between the ages of 20 and 25. At the present time, all unemployed below the age of 42 receive unemployment benefits for 12 months, provided the preceding contribution period was at least twice as long.

Stoltenberg rejected the argument that the decision to raise excise duties jeopardizes the beneficial effects of the tax reform. Direct taxes on income and entrepreneurial activity are going to be lowered by a total of DM50 billion annually in 1986-1990. Indirect taxes, on the other hand, are to go up by up to DM8 billion. The tax increases are necessary to enable the government to accomplish important key tasks. In view of the radical decline of consumer prices for energy, these increases are entirely justifiable. Due to the revaluation of the Deutsche mark, energy prices in the FRG have dropped more than in almost any other country worldwide. As for the rise in the gasoline and light fuel oil tax, the coalition is also bearing in mind the objective of standardizing indirect taxation in the EC.

Deputy FDP fraction chairman Solms said that it has initially been the goal of the FDP to limit tax increases to the amount required for the EC and to prevent the introduction of new excise duties—such as the natural gas tax proposed by Stoltenberg. However, the party acknowledges the need to do more for the structurally weak regions. The additional aid should definitely be used to improve the economic structure, not—as in the Albrecht plan—to finance consumption oriented spending. This principle has been firmly upheld in the coalition agreements. The Albrecht plan bypasses the fundamental problem of the structurally weak regions. It aims at financial aid pure and simple. Instead the present arrangement guarantees that the money will be used in an economically sensible fashion. The FDP has also prevailed in its demand that the “unfortunately unavoidable increase in contributions” be limited to no more than 0.5 percent. It has also been agreed to subject the Federal Institution for Labor to an efficiency check and to cut legally set payments.

On Friday, the SPD sharply criticized the coalition tax decisions. SPD financial expert Poss accused Stoltenberg of having “totally (lost) all perspective.” Business development would also be adversely affected and unemployment was likely to further increase. Poss said that this kind of tax policy could not be tolerated any longer. In fact, the increase in excise duty served to close the gaps opened by the tax reform.

The Federal Union of Employers' Associations objects to the intention to raise the rate of contributions to unemployment insurance. This rise in contributions, it says, is the consequence of past political decisions transferring the financial burdens of the government's family policy to the contributors to unemployment insurance. The employers had long warned against this “shift technique.” The increase in contributions is bound to raise labor costs and therefore make it more difficult to reduce unemployment.

GREECE

Future of Prinos Oil Deposits, New Exploration Discussed

DEP-EKY Ineptitude Charged

35210109 Athens I KATHIMERINI in Greek
14 Jun 88 pp 12, 14

[Article by Eirini Kakoulidou: “26 Billion, No Oil”]

[Text] Sixteen years after the discovery of oil at “Prinos,” though billions of drachmas have been spent for explorations, not even one economically exploitable oil deposit has been found in the country. And this despite serious indications that such deposits exist in several areas of Greece.

The government has now begun to ruminate seriously over the situation which is shaping up, given that in approximately five years “Prinos” will not be economically exploitable since the deposits will have decreased appreciably.

The “flak” for the failure to discover new oil deposits is turned, for the present, against the state agency which carries out explorations, the Public Petroleum Corporation-Hydrocarbon Deposits Exploitation (DEP-EKY). The sole result of the explorations carried out by this public enterprise for 12 years is the pinpointing of certain “oil-probable areas,” mainly in Thermaikos and Ipeiros, as well as one deposit in Katakolon, Ileia, in Peloponnisos, which is not economically exploitable. This despite the fact that approximately 50 land and sea exploratory drillings have been performed. The extent of the failure is obvious from the fact that, with the technologies which have been developed today, the ratio of success for exploratory drillings is 1 to 7. That is, out of 7 exploratory drillings, 1 locates oil. Before 1980, the ratio was 1 to 10.

It is worth noting that the income of DEP-EKY from 1976 to 1986 was: From the portion which falls to it in Prinos income, 11.8 billion drachmas, and from its subsidy from the Public Investments Program, 14.3 billion. A total, that is, of approximately 26 billion drachmas. The expenses for explorations and development in the same period were approximately 16.7 billion.

Why the state agency is not finding oil is a question which particularly concerns all the state agencies involved in the matter. One argument in favor of DEP-EKY is that, while implementing the policy of each government, it has been transformed into an explorer-chartographer of the Greek substratum at the expense of its productive orientation. Thus, at this moment, it has located quite a few oil-probable areas. There is, of course, a reply to this argument. Modern technology can provide reliable data about the existence of oil deposits

without drillings having to be carried out. On this basis it can be maintained that most of the enterprise's 50 costly exploratory drillings were not absolutely necessary.

According to the estimations of energy circles, the problem has two aspects. It is a result of both the policy followed in the oil explorations sector and the weaknesses of DEP-EKY. Starting with the enterprise, these circles note the "amateurism"—normal for a new company—which prevailed in the programming of its operations.

On the other side, each political leadership never had a clear orientation as concerns the explorations to discover oil. According to the same opinions, if the state had gone ahead in assigning areas to foreign companies for explorations—something which it has done in a limited way with the association of foreign companies which is exploiting Prinos—new, economically exploitable deposits would most probably have been discovered today. The public would, at the same time, carry out its own explorations or would cooperate with the foreign companies and, as a result, would develop a peak technology—which we do not possess—and significantly decrease the exploration cost.

The government's ruminations relative to the country's "oil-productive" future have begun to be expressed on a practical level although they have not yet taken the form of a clear, new policy. The minister of industry, energy and technology, An. Peponis, rejected the DEP-EKY budget for 1988 and recommended, for the second year in a row, that its subsidy from the Public Investments Program be decreased. At the same time, at his order, the enterprise has now limited explorations to the more oil-probable areas of Thermaikos and Ipeiros. In these areas, the existence of oil has been confirmed.

There is also, of course, the issue of DEP-EKY's expansion abroad—which has now been decided upon—with its participation in international associations which are conducting explorations to discover oil deposits. Why a state enterprise, whose investments have had no "visible" result domestically, is striving to also "risk" its capital abroad is a question which awaits an answer.

Progress of Exploitation Agreements

35210109 Athens TO VIMA in Greek 12 Jun 88 p 49

[Article by Khristos Korfiatis: "Drills in the Aegean"]

[Text] An important new exploratory drilling to locate oil deposits in the "critical" area near the deposits of Prinos and southern Kavala is about to begin, in all probability at the beginning of the fall, to be conducted by the new "Thracian Sea Oil Company," which has just been established to carry out explorations and in which the public DEP-EKY participates with decision-making rights along with the consortium of the four foreign companies in the Northern Aegean Oil Association.

If, however, the "re-establishment" of the Greek state's relations with the multinational oil exploration-exploitation companies which make up the association is on its way to becoming a reality and being implemented with a new exploratory program, the same thing is not happening with the multinational companies which market petroleum products, whose relations with the state are rather "tense." Serious developments are being delineated, actually, on both "fronts" of the oil sector, with an anticipated intervention of the EEC on the second "front," and a committal, most likely, of our country to the Eurocourt when it assumes the presidency of the Community.

Association of Companies

On 20 May, the Public Petroleum Corporation-Hydrocarbon Deposits Exploitation (DEP-EKY) and the four foreign companies in the Northern Aegean Oil Association formed the "Thracian Sea Oil Company" with a goal of undertaking new exploratory activities in the exploration areas near the exploitable deposits of Prinos and southern Kavala. The company has three administrators, Io. Azariadis from DEP-EKY, L.A. Wilkinson from the Canadian "Denison" company, which has the largest participation in the association, and R. Cram, from the other three foreign companies in the association.

According to information, DEP-EKY and the foreign companies are already on the threshold of an agreement for starting, within the year, a joint, new exploration program, with a drilling in an area in which the existence of an exploitable oil deposit is thought to be likely and which until now, for various reasons, has not been subjected to a full exploration.

To carry out the specific drilling, a "green light" has to be given by the state through DEP-EKY, a thing which is expected to happen shortly and will lead to the re-intensifying of explorations which had been restricted after the "entanglement" last year. As is known, with the modifying agreement between the state and the Northern Aegean Oil Association ratified by the Chamber of Deputies with Law 1766/88, every decision concerning the program of explorations and drillings in the exploration areas presupposes a consenting opinion and vote of DEP-EKY.

Speeding up the explorations is considered necessary since the reserves in the Prinos deposit will be restricted in time, as will, of course, the income for the state and the association. The receipts for DEP-EKY in 1987, from the state's partial participation (30 percent), were 2.84 billion drachmas, while the foreign companies' profits were approximately 6.62 billion drachmas, of which 3.31 billion drachmas came to the state as taxes. The restriction of the Prinos reserves is leading DEP-EKY to intensify the explorations which it is carrying out in various areas of the country independent of the association.

The competent officials from the state oil company do not hide their optimism about locating new oil reserves in areas where exploratory operations are under development or are going to begin within the year. The prospects of explorations in the Thermaic Gulf, Ipeiros, Aitolokarnania, the Ionian islands and sections of the Ionian Sea, as well as in the Gulf of Orfanou and the Sporades basins, are considered encouraging.

Tension in the Market

Tension in the relations of the state and the multinationals in the sector of marketing petroleum products, the subject being procedures to decontrol the domestic petroleum products market, is "superseding" the settling of relations between the state and the multinationals in the exploration-exploitation sector, however. This is because it is believed that the "factors" who reportedly caused the new EEC intervention in May over the terms for marketing fuels in Greece come from the multinationals which have subsidiaries in our country.

The European Committee, as was made known from Brussels, is thinking of committing Greece to the court in Luxembourg, with the charge that it is impeding free competition, particularly imports of fuels from refineries of other EEC member countries, to the benefit of the state refinery sector. Placed at the center of the dispute are regulations which were legislatively enacted last April and which establish a "step-by-step" course to decontrol the domestic market. The strong Community intervention was something which was not expected, however, given that the Community had been briefed beforehand about the changes being promoted and it had not counteracted.

One of the reasons being advanced, namely, the maintaining of the base prices of certain refinery products at levels lower than international ones so they function as a disincentive for imports, has ceased to be tenable following the recent increase in the base price of gasolines (which will be absorbed by the consumption tax). The most basic disagreement concerns the obligation all the companies which are going ahead with imports have to maintain analogous reserves for 90 days in privately-owned areas, which is something the companies wish to avoid. Nevertheless, a Presidential Decree is about to be issued on the subject of recognizing a "cost of stockpiling."

The Community's revival, in a strong way, of the whole issue is connected to information that specific multinationals which have refineries in neighboring countries are "in a hurry" to dispose of surpluses of their products on the domestic market. The competent government factors are persisting, at any rate, in their policy of a "step-by-step" decontrolling of the market and the battle is expected to intensify.

NORWAY

Fire in Mine May End Country's Economic Role in Svalbard

36500130 Stockholm DAGENS NYHETER in Swedish
7 Jun 88 p 11

[Article by DN correspondent Bjorn Lindahl: "Mining Operations Threatened: Fire Decides Norway's Future at Svalbard"]

[Text] Longyearbyen—A Svalbard reindeer is grazing on the scanty grass on the mountain slope with well-balanced movements. It happens to be located at the edge of habitation facing the Arctic so it cannot afford to waste its energy. The reindeer cares nothing about the heavily increased traffic on the winding road, nor does it care that a fire is raging in a mine 4 km further inside the mountain.

When Nils Olsen comes out of the mine opening 100 meters higher up, reindeer are not anything he pays attention to either. The strong sun hurts his eyes, he has a thundering headache and he is exhausted after 7 hours of work as fireman.

It was during the night on 24 May that Mine 7 began to burn, the most important Norwegian mine in the Svalbard archipelago, or Spitsbergen [group of islands] as it is called in many countries after the largest island.

The fire is raging in a section of the mine where most of the coal has already been removed, but columns of coal have been left there so that the roof will not collapse. So far, the fire has not moved into the actual production area.

The firemen are working under extreme conditions. It is literally pitch dark inside the mine and because of the smoke, the visibility with a helmet light is less than 1 meter. At the same time, the heat is unbearable.

"The temperature varies. Closest to the fire it is 170 degrees [Celsius]. It is impossible to stay there longer than half an hour," says Nils Olsen.

Like a Sauna

Otherwise, it is just about as hot as a sauna, and because of all the water that is used to extinguish the fire, it is just as humid.

"The difficulty is that the coal develops flammable gases which ignite shortly after the fire has been put out. Besides, the fire can reach 1 meter into the wall," says Per Ole Morken who leads the fire-fighting work during this shift.

"What we are trying to do is to put out so much of the fire that it becomes possible for us to build brick walls around the fire and then put the area under water."

The danger of collapse is great. Two miners received serious burns at the beginning of the fire fighting when they were stuck under burning coal."

The entire Longyearbyen, which is the Norwegian community in Svalbard with slightly more than 1,000 inhabitants, follows the development intensely. The fire has, in a dramatic way, shown that it is not only nature that is vulnerable on the Arctic island group located further north than most of Greenland.

In the worst case, the fire can destroy the entire foundation of the Norwegian operation on the islands. Mine 7 was supposed to represent 60 percent of the production this year. Mine 3, which is the other mine in operation, only has limited resources. It will cost enormous amounts of money to start new mines.

Evidence of mine fires are visible in many places along the steep cliffs around Longyearbyen. The longest one lasted for 20 years.

The Fire Decides

"The fire is the deciding factor for us all. It cannot be put out, I think that the mining operation will come to a complete halt," says Agnes Kvilvang, chairman of the Svalbard Council, the only organization on the island to have elected members.

The mining company, the Store Norske Spitsbergen Kullkompani [Great Norwegian Spitsbergen Coal Company] is the greatest operator in Longyearbyen. The company received its first state subsidy in 1967 and became state-run in 1976. Only during the last 5 years, has the loss been around 100 million kroner per year. The production is 400,000 tons a year.

The reason for maintaining the operation is political, not economic. Until 1920, the islands were a no man's land. In order to avoid superpower conflict, Norway obtained sovereignty over the islands in 1920. But 40 other countries [signatories of the 1920 Treaty] simultaneously reserved the right to engage on an equal basis and with minimal taxation in commercial and industrial activity on the island group.

The only nation to take advantage of that to any significant degree is the Soviet Union. The Soviet company Arktikugol operates two coal mines on the island, at Barentsburg and Pyramiden. There are twice as many Soviets as there are Norwegians on Svalbard.

Norwegian Laws Apply

Previously, the Soviets were isolated and lived their own life. As recently as 1960, the highest ranking Norwegian official, the district governor, only had a dog sled at his disposal and visited the Soviets once a year.

Today, the district governor has 10 employees and a big car, two helicopters, a snowmobile and a tracked vehicle at his disposal. Slowly but surely, the Norwegians have made it clear that it is Norwegian law that applies on Svalbard.

The district governor also serves as sheriff, governor and judge. Leif Eldring holds this position for the second time. The first time was from 1974-78.

"I see a great difference today, perhaps the greatest difference is represented in the respect for Norwegian environmental requirements. When the regulations were instituted, they were not accepted by the Soviets," he says.

One reason was that almost half of Svalbard was proclaimed a nature preserve. There are even Norwegian researchers who feel that it was too challenging. At any rate, the Norwegian measures have favoured the original inhabitants: both bears and reindeer have been declared endangered species and have increased in number.

"There is no need to ignore the fact that Norwegian law was poorly implemented for a long time. Even today, we concentrate on the Soviet activities outside the mining communities and such things that are of special interest," says Leif Eldring.

Air Bases

Svalbard is located in an extremely sensitive geopolitical area, but the treaty forbids that the islands be used for military purposes. That is a fact that both Norway and the Soviet Union observe with marked suspicion.

The Soviet Union protested that Norway built an airport in 1975, while the Norwegians did not appreciate the Soviets building a helicopter base several years later.

For the Soviet Union, the price of maintaining two mines is minimal in relation to the country's political interest. At the end of World War II, the Soviet Union tried to force Norway to agree to joint administration of Svalbard. The reason is obvious. All military vessels to and from Murmansk must pass between Svalbard and the Norwegian coast.

There have not been any great conflicts in recent years. When DAGENS NYHETER visits Barentsburg, the Soviet representatives there are categorical in their assurance that Norway's sovereignty must be respected.

"The question whether the Soviet Union wants changes in the Svalbard Treaty is of no consequence. Norway has received absolute sovereignty over the islands, with the exception that citizens of certain countries are allowed to run business operations there," says Igor Sololov, second secretary of the Soviet Foreign Ministry.

He is only visiting in Barentsburg but responds to the political questions as the new consul, Andreij Romanov, only arrived a week ago.

Unsolved Controversy

Currently, there is an unsolved controversy. The Soviet Union maintains that the Svalbard treaty should apply to the continental shelf around the islands, while Norway points out that it is not mentioned in the treaty and therefore it is exclusively Norwegian.

The fact that the Soviets intend to remain on Svalbard is borne out by the large amount of new construction around the island. When DAGENS NYHETER visited Barentsburg in 1982, the new consulate was not yet fully constructed. The feeling of showing off with this construction with the intention of impressing the Norwegians does not become any less pronounced when we are invited inside. There is no lack of marble, precious wood or overstuffed sofa sets. The most recent acquisition is an enormous tapestry which shows the northern lights and the polar explorers Nansen and Rosanov.

"Welcome to our Taj Mahal," cracks the vice consul, Alexander Olesjko and he tells us that the consulate is called the Bastille by the miners.

Several apartment houses, a new gymnasium with a swimming pool and a strong increase in agricultural production has also been brought about in recent years.

The northernmost agriculture is to be found in Barentsburg consisting of 33 cows, 700 pigs and 2,000 chickens. They are located in a metal tent at the outskirts of the community with the snow covered mountain tops of Spitsbergen in the background. It is almost a visual shock to enter in one of the greenhouses which is bursting at the seams with vegetables and flowers.

New Construction

"We are self-sufficient with regard to onions, milk, eggs and pork. We also have enough cucumbers and tomatoes for the children," says Zinaida Volosova.

Along with the Poles, the Soviets also have many researchers on Svalbard. In 1970, the two countries accounted for 45 percent of the work on the islands, calculated in number of research days. That was approximately the same as the Norwegian research. In 1985, the two eastern countries accounted for 63 percent of the research work, or three times as much as the Norwegians.

Time has not stood still in Longyearbyen either. Since 1975, almost 400 new homes have been built, and the society is becoming more and more normal with an open attitude toward tourism. Different studies to find new business opportunities are under way.

But what will happen if the cost of operating the mines becomes too high?

"The Norwegian sovereignty remains the same, but it will become more difficult to implement practical control. It requires a functioning Norwegian community up here," says District Governor Leif Eldring.

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PORTUGAL

Jan-Feb Trade Deficit Increase

35420098 Lisbon TEMPO/ECONOMICO in Portuguese 16 Jun 88 p 10

[Text] According to the latest data for the first 2 months of 1988 gathered by the National Institute of Statistics, the deficit in the Portuguese trade balance was 98.8 million contos, which is 17.7 million contos (or 21.8 percent) greater than the balance for the same period of 1987. The figure was the result of 295.3 million contos of imports and 196.6 million contos worth of exports.

Compared with the same months of last year, imports increased by 14.6 million contos (5.2 percent) and exports declined by 3.0 million contos (down 1.5 percent).

OVERALL RESULTS - TOTAL FOR THE COUNTRY

January-February	1986 1000 ESC	1987 1000 ESC	Trend (N-1) / (N-2) %	1988 - 1000 ESC	Trend (N) / (N-1) %
Imports (CIF)	221 545 219	280 700 628	26,70	295 329 587	5,21
Exports (FOB)	163 411 157	199 625 477	22,16	196 578 776	- 1,53
Balance	- 58 135 052	- 81 075 151	39,46	- 98 750 811	21,80
Cover Rate	73,76	71,12	-	65,56	-

The rate at which imports were covered by exports was 66.6 percent, which is lower than the cover rates calculated for the same periods of 1987 (71.1 percent) and 1986 (73.8 percent).

In U.S. dollar terms, the Portuguese trade balance showed increases in the value of imports (9.0 percent), in exports (2.0 percent), and in the deficit (26.2 percent).

Suppliers and Customers

During these first 2 months of 1988 there were 7 supplier countries and 6 customer countries (only one in either category is not a member of the EEC) that accounted for more than 60 percent of the total values, respectively, of imports and exports. Among the suppliers, Spain was the leader (with 37.6 million contos), followed by the Federal Republic of Germany (36.6 million contos), France (31.9 million contos), Italy (28.7 million contos), the United Kingdom (23.6 million contos), the United States (16.2 million contos) and the Netherlands (15.1 million contos). In all, these values correspond to 64.2 percent of the total of our foreign purchases.

As regards our customers, France (32.8 million contos) ranks first, followed by the Federal Republic of Germany (31.7 million contos), the United Kingdom (26.2 million contos), Spain (21.5 million contos), the Netherlands (11.7 million contos), and the United States (10.2 million contos). These represented 68.2 percent of our sales to other countries.

The most significant deficits in the trade balance developed with Italy (21.7 million contos) and the United States (6.0 million contos).

The largest surpluses were with Sweden (4.9 million contos), the United Kingdom (2.5 million contos), Denmark (2.4 million contos), and Finland (2.3 million contos).

Relations With the EEC

In January and February 1988, Portuguese trade with the group composed of the other 11 members of the Community was substantially the same in value terms when compared with the flows for the same period of last year.

In fact, our imports from EEC members totaled 188.5 million contos (63.8 percent of total foreign purchases), which was 6.8 million contos (3.7 percent) greater than the value of 1987 imports from those suppliers, while sales to this group—at 143.9 million contos (73.2 percent of total exports)—rose by only 1.0 million contos (0.7 percent).

These factors generated a deficit of 44.6 million contos, which was 5.8 million contos (or 14.8 percent) larger than that calculated for the first two months of the previous year.

The cover rate declined by 2 points from 78.6 percent (in 1987) to 76.3 percent (in 1988).

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SPAIN

PSOE 2000 Plan Previewed

35480097 Madrid CAMBIO 16 in Spanish
23 May 88 pp 58-63

[Article by Javier Arce]

[Text] Manuel Castells is now a professor at U.C. Berkeley in the United States. Twenty years ago at about this time of year, he was in Paris at the barricades behind Dany the Red, having joined the Popular Liberation Front (FLP). Today, Castells is not a member of any party, although he considers himself a socialist. He has not become a "yuppie," nor has he forgotten about being a realist, about asking for the impossible, as they proclaimed in May 1968. Less than a month ago he sent to the Spanish Socialist Workers Party (PSOE) a 46-page report, "The Internationalization of the Spanish Economy and Spain's Position in the New World Economic Order."

His report is one of the 200 studies that make up the 15 basic volumes of Program 2000, which has been designed by the PSOE Executive Committee to flesh out a new Socialist plan. It is more realistic, more rooted in the new world economic reality, which has relegated many old dogmas to obsolescence.

His study will be processed by computer along with those written by Joaquin Leguina, Matilde Fernandez, Jose Borrell, Victor Sevilla, Julio Rodriguez, and other former leftist militants, some of them currently members of the ruling party. Veteran fighters of the Communist Movement, the Communist Party, or the Revolutionary Communist League have met Felipe Gonzalez' requirements for participating in the drafting of a new ideological program. Nicolas Redondo has advised against participation by the General Union of Workers (UGT) on an institutional basis, although thousands of UGT members will be consulted individually.

Their conclusions will be matched in a super computer, a gift from the Wang corporation, with the opinions of 1 million citizens. Thus, by April of next year, Program 2000 will be completed. The project is being coordinated by another Manolo, "Manu" Escudero, a former member of the MC.

"Program 2000 is not designed to be a campaign platform, but a reorientation of socialism within a historical context," explains Escudero. "Socialism is no longer anti-capitalist. We must bear in mind that socialism is a movement against exploitation, and it existed before capitalism and may exist after it. The objective is to strip capitalism of its exploitative characteristics in a world

economic system that is in chaos. The cause of this chaos is the neoconservative orientation that has dominated and engineered the crisis. This orientation has been propelling us toward a society polarized between those who come out of the crisis on top and those who are shunted aside."

According to Escudero, that is something that "repels those who feel the ethical impulse of socialism, of the struggle against exploitation." The 200,000 members of the PSOE will be involved in the formulation and discussion of this project, which seeks the strongest possible stamp of social approval within Spain. The idea is to present it proudly to all the socialists in the world next year, "because Spanish socialism has been the precursor of many of the ideas that now prevail."

Felipe Gonzalez is anxious to take the conclusions of the Spanish Socialist project to the Socialist International. He knows that the German, Austrian, Danish, Swedish, British, French, and Italian Socialists are working on the same thing already. Escudero also knows this, and he is following with interest the work being done by the European Socialists, because all are trying to come up with universal models "even though they may not develop the same in France as in Tanzania." But he believes that the Spanish Socialists are in the lead on this initiative.

There is no doubt that both the idea and the method being used are innovations in political history. This subjugates Felipe Gonzalez and Alfonso Guerra, who wholeheartedly back the free development of the program. Naturally, this plan begins with a recognition of all the contradictions in Spanish society today, within the context of a European project that, in turn, must find its niche in a new international economic order.

In January 1983 Felipe Gonzalez was beginning a historic stage, that of a socialist party governing Spain amid a worldwide crisis. At that time he told CAMBIO 16 that "we must be thinking about the year 2000 here, and the government will not make the mistake of believing that it has only 4 years to change the situation. Because this is not true, regardless of the outcome of the next elections. The plan must have a longer term, because this is a very complex society with endemic problems."

According to the president of the government, "the historic mission of the Socialist Party is to think in terms of a 25-year historic program. I said this already at the 29th PSOE Congress, and I would not have said it if I had not reflected on it seriously."

PSOE's "Iron Lady"

Five years have gone by now, and the situation has changed in Spain and the world; but the problem is the same. "We are in a critical situation, in the more etymological sense of the term. Not only is this an economic crisis, one that affects many other countries as

well; it is also a political crisis, a question of the state's structuring, and even of the vision of the future, because we are in a period of transition. The final phase of the 20th century will produce a new society, with everything from a new approach to the processes of industrialization to a new way of perceiving what is known as the quality of life. There is also an underground struggle for the recovery of some values other than those of consumerism," said the president of the government at that time.

Felipe Gonzalez concluded that "the historic mission of any party with an awareness of the crisis is that we must join forces to seek a solution that will benefit everyone. If this is done by a party such as the Socialist Party, it will always have the idea of solidarity and equality in a historic perspective. This is more the case than it would be with a conservative party, where the dependence on group interests is much more deeply rooted."

In 1985, Felipe Gonzalez and Alfonso Guerra got down to work. And according to Manuel Escudero, "never in the history of democratic socialism has there been a more profound period of revision than the one they began." The "beautiful people" handled the crisis with a social democratic approach. Boyer and Solchaga have been compared with the British Conservatives, making Felipe Gonzalez appear to be Margaret Thatcher's counterpart; but the coordinator of Program 2000 musters 1,001 statistics to deny any similarity.

According to the information already programmed in the Program 2000 computer, the "Iron Lady" has caused a greater polarization of English society: 50,000 people have no permanent home in London; the educational system has become a shambles; and the health system, which served as a model for all of Europe, is three quarters of the way there. The number of underprivileged members of society has risen so high that an unemployed woman with three children today receives 16,000 pesetas a month, compared to 60,000 before the "Iron Lady." And there's more.

International Misery

Program 2000 covers four areas of work: political, economic, social, and ideological. But the formulation of a new economic model is undoubtedly the principal problem the Socialists must grapple with. Political experts have already seen clearly, for example, that the Senate would have to revert to being a territorial chamber in order to retain its *raison d'être*. They have also realized that the electoral calendar must be changed if we are to avoid having balloting every single year for the next 13 years, with the exception of 1993.

The problem appears to be somewhat more complex on the economic front, especially "if we don't want to forget—and as Socialists we cannot forget—that every day 40,000 children starve to death throughout the world," explains Escudero. It is not enough to devise a

model for Spain, or even for Europe, if we do not take into account the new international order, in which many countries are moving toward a fifth world, and in which the potential for growth appears to be limited to the OECD.

The 44 experts who have put together the seven volumes that deal with the economy agree that the solution that has been tried to deal with the economic crisis has actually heightened the differences between the North and the South, just as it has widened the gap between the rich and the poor in each country. The trend is toward an even more polarized economy, and if this is so, the Socialist experts give top priority to guaranteeing the Spain will be among the rich countries. As Castells explains, "if we do not substantially increase our competitiveness in the international market economy, we will have only poverty to share."

The argument is clear: The international order, in which all the economic agents (business, government, etc.) are already operating, gives us a United States that is on the verge of beginning a reconversion process that Europe is now concluding; a Japan that is weaker than it appears, desperate for European markets in the face of the imminent crisis on the American market.

And we have some countries that are trying to become protagonists on the basis of low costs, or large potential markets (Korea, Taiwan, Hong Kong, and Singapore in the former case; China, the USSR, India, and Brazil in the latter). Finally, we have a Third World that is in disintegration, on the road to indigence. All the experts agree that the deactivation of the recession makes it necessary to expand the market throughout the planet, because otherwise it will be impossible to maintain the momentum. And that can only be done if the matter of the Third World debt is settled.

Market Socialism

If these international problems are solved, Spain, within Europe, should be among the leading countries, provided it resolves its current dilemma: Our industry is not at a technological level that will enable us to compete in quality and efficiency, and production costs are not low enough for us to compete with the newly industrialized countries.

To solve the problem, Socialists refuse to think of lowering costs, because that would imply a lower standard of living and an uncertain future. They opt for a third path: adjusting Spain's labor, tax, and business legislation to be on a par with that of the EEC; creating a transportation infrastructure that will make us just as attractive as any other European country with a more centralized geography; developing a telecommunications network that will allow for the decentralization of production without severing ties to world trade; and above all, revamping the educational system to provide a labor pool that is skilled in the new technologies.

If Spain manages this, say the Socialist experts, it can develop intensively and steadily on the basis of its service sector (tourism), the multinationals (chemicals, electronics, and automotive), and the small and medium-sized firms (whose economic potential is appreciated in Hong Kong, for example, where 2/3 of exports come from businesses at this level).

"We European Socialists are no longer anti-capitalist; we see in the market the essential element for the production of goods and services. Production must come from private industry and the redistribution of the state," explains the coordinator of Program 2000. "The problem lies in avoiding exploitation, which, as we have seen in the Eastern countries, can perpetuate itself in public enterprises. Exploitation is a phenomenon of domination: The minority, with no mechanism to make them take responsibility for their decisions, dictate the fate of the majority. This is why the socialist solution can only be an increase in economic democracy."

The interpretation of that principle leads the Socialists to consider an expansion of the state's role as a regulator of economic activity, in addition to an enhanced function as a redistributor of income, to the detriment of its role as a producer of goods and services. "This means more state, but a different state," explains Escudero.

Based on these premises, the experts have developed specific points that would make it possible to attain full employment, "something we have never had in our country. It will not be easy to reach this goal if we consider that between now and the year 2000, 2 million additional people will enter the job market, at a rate of 160,000 a year," declares Escudero.

A multitude of suggestions are advanced on all fronts: fiscal, employment, services, etc. The Socialist Party will screen all of these suggestions, some of them contradictory, over the next 12 months. They will all move along those lines, "but the program is not complete; it will be completed by all progressive Spaniards who want to participate," explain sources close to the president of the government. And a computer.

[Box, p 60]

The 1,001 Proposals

Fiscal

- 7-point increase in taxes over 12 years
- Reduction of the range of brackets of the Individual Income Tax (IRPF)
- Shift of taxation emphasis from income to assets
- Elimination of tax credits and exemptions
- Updating of rates
- Increase in the minimum exemption for the IRPF declaration
- Expansion of the concept of income (expense allowances, payments in kind)

Labor

- Introduction of geographic and functional mobility
- Reduction of work week to 35 hours
- Increased unemployment coverage to 100 percent (or attainment of full employment)
- Aggregation of part-time hours
- Worker participation in the management of large companies
- Increase in the labor force by 2 million to 2.5 million people by the year 2000
- Minimum guaranteed pension for all retired persons
- Increase in the female labor force from 31 to 37 percent
- Reduction and possible elimination of employer Social Security contribution

Services

- Transfer of services to private firms (domestic help, etc.)
- Free health care for all citizens
- Free education for all citizens
- Establishment of an accessible telecommunications network
- Improvement of transportation network

Business

- Liberalization of the financial system
- Development of the second mercantile stock market for small and medium-sized businesses
- Revitalization of the securities market with a mortgage guarantee
- Listing of Spanish firms on foreign markets
- Incentives for financial and business mergers
- Promotion of agreements for sharing markets

International

- Increase in aid to the Third World to 0.7 percent of GDP
- Listing of multinational corporations on the Spanish stock markets
- Opening up of Chinese, Soviet, and Indian markets
- Funneling interest payments on the Third World debt into an investment fund

[Box, p 62]

The chairman of the World Informatics Committee, Angel Luis Gonzalo; a professor of urban development, Fernando Teran; a former finance secretary, Jose Victor Sevilla; his successor, Jose Borrell; and a director of the Mortgage Bank, Cristina Narbona, are a few of the experts who have contributed the 44 reports that comprise the seven economic volumes of Program 2000.

Manuel Escudero, coordinator of the program, and Alfonso Guerra, instructed by the PSOE executive to oversee the project, have enlisted more than 200 experts in the drafting of the "Reference Materials for Debate," the 15 volumes that will be sent to all party organizations.

The only characteristics these experts have in common are their youth (between 30 and 50 years of age) and their commitment to what can generically be called progressive ideas. There are party activists, such as Joaquin Leguina and Alejandro Cercas; people without Spanish papers, such as Manuel Castells; and high-ranking officials in the financial system, such as Cristina Narbona and Cristina Roquero. There are some who have been subjected to unpleasant Socialist discipline (removal from office, like Luis Velasco and Jose V. Sevilla), and there are those who have come around to the proposals of the Socialist Party from more radical stances, such as Julio Segura or Manuel Escudero himself, who was active in the Communist Movement.

The majority have come to socialism or social democracy from the left. There are former members of Red Flag, of the Communist Party of Spain, former Maoists, Trotskyites . . .

And members of the UGT, such as Matilde Fernandez, secretary of the Chemical Workers Federation, are also contributing. But Nicolas Redondo has ruled out the institutional participation of the UGT in this party program. For this reason, Jose Maria Zufiaur, considered to be one of the principal ideologues of the socialist trade union, declined to submit a paper on the role of unions in the future of labor relations. In spite of everything, Manuel Escudero claims to have not the slightest doubt that "the members of the UGT will participate in the debate."

In addition to these 200 experts, the cooperation of another 800 has already been obtained. They will write sectorial pamphlets that will shed light on the profound but interconnected reality of the issues to be debated.

Program 2000 has become, by solemn decision of the 31st PSOE Congress "a political commitment and an organizational challenge for all Spanish Socialists."

[Box, p 63]

A Million for the Best

Alfonso Guerra is in charge of what may soon be the new ideological essence of socialism. According to the PSOE structure, the vice secretary of the party is responsible for the central coordinating body of Program 2000, which is under the direction of Manuel Escudero. The coordinator of Program 2000 has called in 200 experts to write 15 volumes, which will be sent to each PSOE provincial committee. Because it will be difficult to manage so many volumes, four books summarizing the 15 volumes

will also be sent. In June of this year, moreover, some "debate notebooks" will be distributed along with audio-visual aids covering all the subjects of discussion.

To encourage party members to participate actively, three model questionnaires will be sent out as well. The first will ask about local and provincial priorities; the second will be more open in nature, and will deal with individual or collective proposals regarding the program. And finally, sectorial questionnaires will deal directly with the debate notebooks. There will be provincial program coordinators who will keep in touch with Manuel Escudero and with local officials, who will organize the debates and gather proposals. The 800 experts consulted and the Socialist members of Parliament will all be available to the groups to give lectures, provide information, and encourage debates.

But the most original feature is the presence, if possible, of "debate moderators," who will not necessarily be party members and will be chosen by the provincial coordinators. They will be responsible for bringing the debate to society, to at least 1 million citizens. This is the ultimate objective: to have a million opinions on what Socialism should be by the year 2000. Each PSOE member will have to gather four or five opinions from family, friends, or associates. According to an informational pamphlet put out by the PSOE, "Program 2000 should be a creative process that will generate political proposals, compare different options, and end up choosing from among feasible possibilities those that are the most politically desirable from the socialist point of view."

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TURKEY

Yugoslav Contractors Seek Work in Turkey

35540161 Istanbul *MILLIYET* in Turkish
15 Jun 88 p 5

[Article by Didar Arslan: "Yugoslav Builders Eye Turkish Market"]

[Text] Yugoslav contractors left unemployed by the shrinking Middle Eastern market are preparing to join the Turkish construction sector. Seeking construction

jobs such as building roads, bridges, factories and, first of all, housing, the Yugoslav firms have started the search for Turkish partners.

The Yugoslav organization Pzg Sap Kosova and Jimpro made a partnership proposal to Bertek Construction Company, while Eximkos offered to tender joint bids on contracts in Turkey with Eska and Interimpex made that offer to Dogus and Baytur Construction firms. Pzg Sap Kosova, in fact, signed an agreement with Bertek, after which the two firms offered a joint bid on the Hilton Hotel to be built in Mersin.

Bargaining opportunities exist: Ersan Birol, chairman of the board of directors of Bertek Construction, the firm which signed an agreement with Pzg Sap Kosova, said that Turkey offered new hope for Yugoslav contractors. "Lack of work for contractors in the Middle East has now been added to the troubled state of the Yugoslav economy caused by foreign debt. Yugoslav construction firms have workers and equipment sitting idle at the moment. We therefore have a good bargaining position vis-a-vis the Yugoslav firms," Birol said. However, Selcuk Berkel, technical director for Ersel Construction, a subsidiary of the Eska Group which received an offer from the Yugoslav firm Eximkos to submit joint tenders on contracts in Turkey, said the Yugoslav contractors do not have a chance in Turkey, "because the Yugoslav firms are offering much higher bids than Turkish contractors. It is really hard to win a contract with a high bid." Bertek board chairman Ersan Birol also admitted that the Yugoslav firms' bids were higher than Turkish contractors' and said, "However, they complete the contracts they win on time and never ask for additional money. This is the Yugoslav firms' major advantage." Alaattin Toska, director of the economic desk at the office of the Yugoslav Foreign Trade Attache, said, "Many Yugoslav contracting firms are preparing to work in Turkey. Nevertheless, none of them has won a contract so far."

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